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DIRECT MARKETING ASSOCIATION'S

STATISTICAL FACT BOOK

CURRENT INFORMATION ABOUT DIRECT MARKETING

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Information Central dma
Data Direct from the Source

The Direct Marketing Association, Inc., established in 1917, is the oldest and largest international trade association representing users, creators and suppliers of direct mail advertising and other direct marketing techniques. DMA's 6,000+ members from 3,000+ companies represent a cross section of business and are located in all 50 states and 55 other countries.

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PREFACE

The Direct Marketing Association's 1991/92 Statistical Fact Book offers a quantified view of the "state-of-the-art" for virtually all aspects of direct marketing. Users of direct marketing today are experiencing an explosion of information. The tremendous impact of the computer and other new technologies is opening up a whole new world of markets and media for direct marketers of any specialty. Information Central, the information arm of DMA, functions to broaden awareness and understanding of direct marketing, and to increase the effectiveness and efficiency of its techniques. The Fact Book is designed to provide statistical support to help marketers achieve this goal.

Information Central is uniquely positioned to develop, acquire and compile direct marketing data which detail the status and direction of the direct response industry. The book is divided according to five broad areas of direct marketing that staff has identified using their extensive working knowledge of the industry:

- Direct Response Advertising
- Media
- Lists/Databases
- Market Applications
- Practical Management Information (including two new chapters this year: Strategy and Planning, and New Technology Deployment)

The purpose of this statistical resource is to provide direct marketers easy access to authoritative data that will be helpful in making informed marketing decisions and media choices, in supporting proposed business and marketing strategies, and in making the most cost-effective expenditure decisions. More than 320 charts and graphs:

- Highlight important media and market growth and usage trends by specific media and markets
- Pinpoint consumer and business attitudes and buying habits concerning direct marketing
- Quantify and compare marketers' outlooks and expectations on key issues
- Provide valuable expenditure, production and operating cost figures
- Identify direct marketers' attitudes, concerns, and policies regarding specific environmental issues

The 1991/92 Statistical Fact Book is designed not only to provide the latest direct marketing statistics, but also to indicate how the numbers were derived. Most primary research studies used and their sources are listed by title, sample and respondent size and by type of methodology used. Other sources are recognized by citations within individual sections. In addition, indexes are included for easy access to specific data and sources.

ACKNOWLEDGEMENTS

Acknowledgement is very much deserved by the many individuals and organizations who provided the information and research data that make this book a substantive resource. On an individual basis, each research study, compilation and projection in this book deserves merit. Collectively, they offer a valuable picture of the scope and direction of the direct marketing field.

The very fine staff of DMA's Information Central -- Nilda Castillo, Maryann Marsalisi, and Lynne Wellenbusher -- researched and acquired the materials for this edition. Special recognition goes to Richard Spector who helped to organize, interpret, and update this year's information, and to both Richard and Christine Heaphy for their diligent proofreading support. Gerald Wattley and Sajira Figueroa played key support roles in making sure these materials were processed in an orderly fashion.

All have contributed a service to the direct marketing field as this data will no doubt have applications to all direct marketers and other users of this year's edition.

Allison Cosmedy
Assistant Manager
Publications Development
and Production

Ann Zeller
Vice President
Information &
Special Projects

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DIRECT RESPONSE ADVERTISING

CONSUMER ATTITUDES

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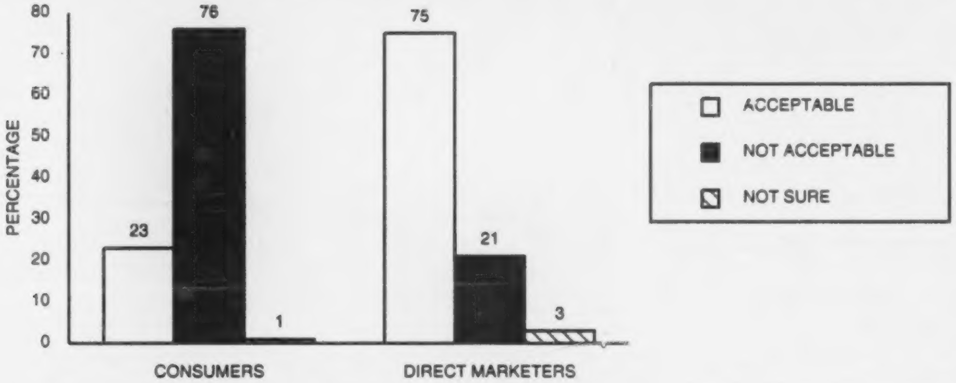
USE OF CONSUMER INFORMATION BY DIRECT MARKETERS
ACCEPTABLE OR UNACCEPTABLE

The following chart is taken from *The Equifax Report on Consumers in the Information Age,* a national opinion study exploring public and leadership experiences with, and attitudes toward, the use of personal information in a wide variety of contexts. The survey, consisting mainly of interviews conducted with a cross section of 2,254 Americans eighteen years of age and older, was conducted in early 1990.

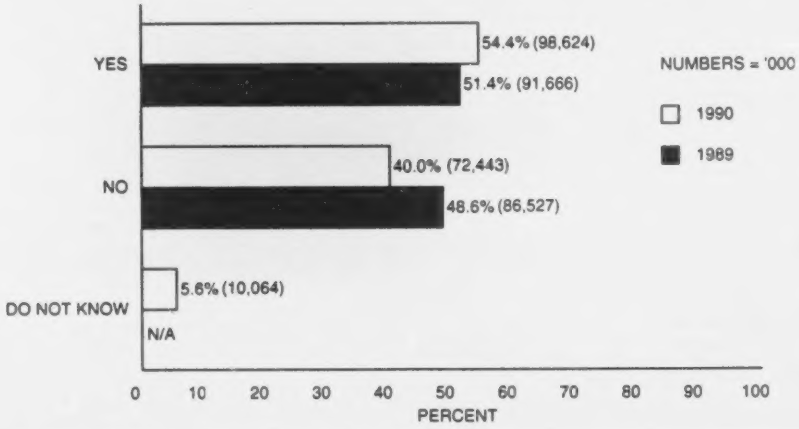


Source: Equifax, Inc., The Equifax Report on Consumers in the Information Age, 1990.

PEOPLE WHO HAVE ORDERED BY MAIL OR PHONE

The Study of Media and Markets is a syndicated study based on a stratified multistage area probability sample of 19,373 adults in 1989 and 19,874 in 1990, interviewed between the months of July and June. The product usage and buying behavior data was gathered through self-administered questionnaires and personal interviews. The results (below) were then projected to reflect the entire U.S. population, estimated to be 178,193,000 in 1989 and 181,131,000 in 1990.

Have you yourself ordered any merchandise by mail or phone in the last 12 months through offers in magazines, newspapers, on television or radio, in catalogs or from direct mail pieces?

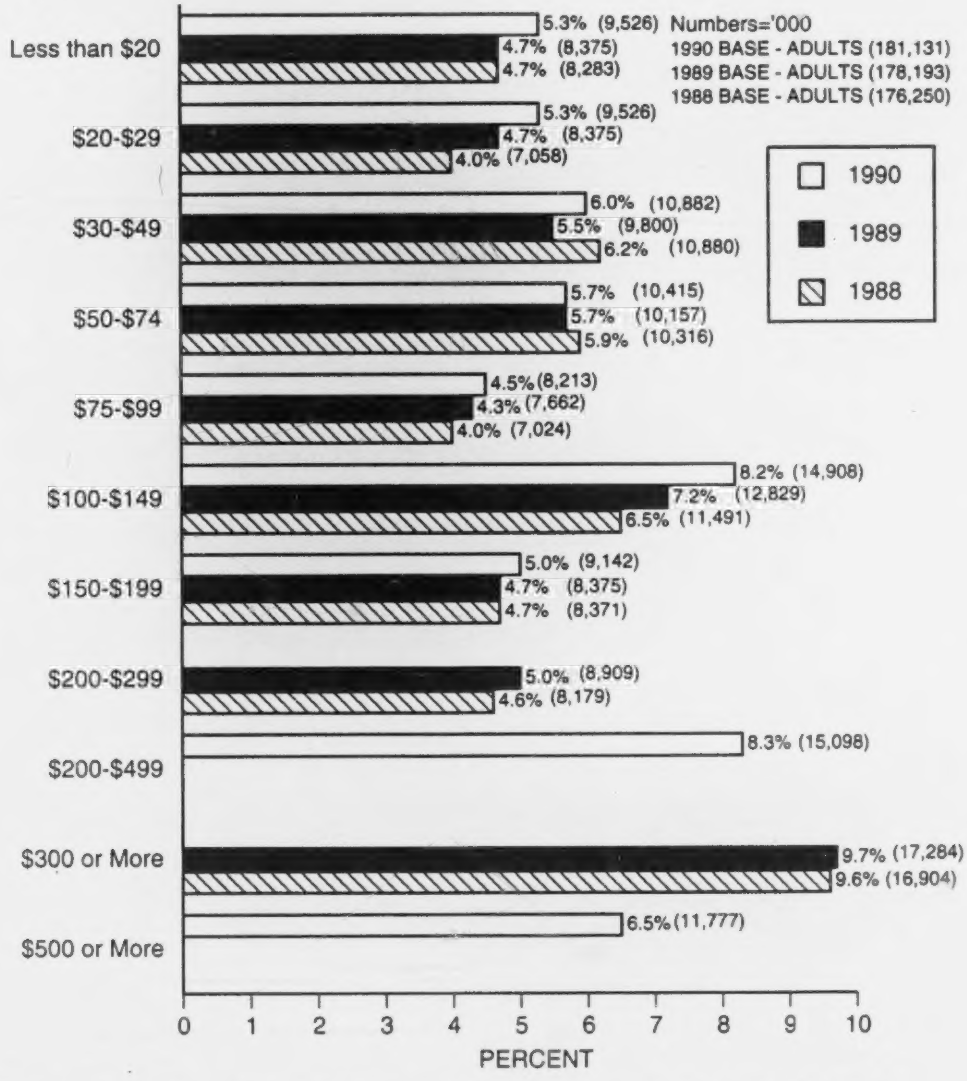


Source: Simmons Market Research Bureau: 1989 and 1990 Study of Media and Markets.

TOTAL AMOUNT SPENT ON MERCHANDISE & SERVICES ORDERED BY MAIL OR PHONE

The Study of Media and Markets is a syndicated study based on a stratified multistage area probability sample of 19,373 adults in 1989 and 19,874 in 1990, interviewed between the months of July and June. The product usage and buying behavior data was gathered through self-administered questionnaires and personal interviews.

For the merchandise and services ordered by mail or phone, what is the total amount you yourself spent in the last 12 months?



Note: Results are based on extrapolations made for entire U.S. population base for that year.

Source: Simmons Market Research Bureau: 1989 and 1990 Study of Media and Markets.

ITEMS ORDERED BY MAIL OR PHONE IN LAST 12 MONTHS

The Study of Media and Markets is a syndicated study based on a stratified multistage area probability sample of 19,373 adults in 1989, and 19, 874 in 1990, interviewed between the months of July and June. The product usage and buying behavior data was gathered through self-administered questionnaires and personal interviews. The results (below) were then projected to reflect the entire adult U.S. population, estimated to be 178,193,000 in 1989 and 181,131,000 in 1990.

Boldface #'s = 1990
Lightface #'s = 1989

	By Mail or Phone		By Mail		By Phone	
	'000	%	'000	%	'000	%
Auto Accessories	**6,697**	**3.7**	**4,446**	**2.5**	**3,022**	**1.7**
	5,771	3.2	4,162	2.3	2,142	1.2
Cookbooks	**6,493**	**3.6**	**5,917**	**3.3**	**627**	**0.3**
	6,661	3.7	6,117	3.4	666	0.4
Books from Book Clubs	**11,928**	**6.6**	**11,406**	**6.3**	**789**	**0.4**
	12,435	7.0	11,898	6.7	739	0.4
Other Books	**9,147**	**5.0**	**8,192**	**4.5**	**1,207**	**0.7**
	9,344	5.2	8,359	4.7	1,344	0.8
Greeting Cards	**6,218**	**3.4**	**5,738**	**3.2**	**535**	**0.3**
	6,726	3.8	6,469	3.6	361	0.2
Stationery	**4,529**	**2.5**	**4,254**	**2.3**	**307**	**0.2**
	4,511	2.5	4,179	2.3	395	0.2
Cosmetics	**4,668**	**2.6**	**3,662**	**2.0**	**1,148**	**0.6**
	5,597	3.1	4,624	2.6	1,185	0.7
Records	**5,237**	**2.9**	**4,448**	**2.5**	**1,138**	**0.6**
	6,015	3.4	5,177	2.9	1,098	0.6
Prerecorded Audio Cassette Tapes	**11,280**	**6.2**	**9,407**	**5.2**	**2,166**	**1.2**
	10,544	5.9	9,563	5.4	1,274	0.7
Prerecorded Videotapes	**5,049**	**2.8**	**3,994**	**2.2**	**1,347**	**0.7**
	•	•	•	•	•	•
Stereo Equipment	**901**	**0.5**	**456**	**0.3**	**491**	**0.3**
	1,108	0.6	705	0.4	412	0.2
Computer Hardware	**1,802**	**1.0**	**902**	**0.5**	**1,019**	**0.6**
	•	•	•	•	•	•
Computer Software	**6,450**	**3.6**	**5,824**	**3.2**	**1,728**	**1.0**
	3,110	1.7	2,360	1.3	1,288	0.7
Other Electronic Equipment	**2,413**	**1.3**	**1,456**	**0.8**	**986**	**0.5**
	2,137	1.2	1,394	0.8	900	0.5
Magazines	**30,399**	**16.8**	**27,946**	**15.4**	**3,562**	**2.0**
	36,665	20.6	34,749	19.5	3,171	1.8
Photo Processing	**5,893**	**3.3**	**5,704**	**3.1**	**189**	**0.1**
	7,602	4.3	7,009	3.9	664	0.4
Food	**4,859**	**2.7**	**3,381**	**1.9**	**2,543**	**1.4**
	3,324	1.9	2,521	1.4	959	0.5
Shoes or Boots	**9,705**	**5.4**	**6,273**	**3.5**	**3,972**	**2.2**
	8,793	4.9	7,019	3.9	2,343	1.3
Costume Jewelry	**5,530**	**3.1**	**3,904**	**2.2**	**1,840**	**1.0**
	•	•	•	•	•	•
Clothing	**49,757**	**27.5**	**31,552**	**17.4**	**32,839**	**18.1**
	30,722	17.2	23,032	12.9	10,811	6.1
Curtains, Bedspreads, Linen	**9,028**	**5.0**	**5,022**	**2.8**	**4,400**	**2.4**
	•	•	•	•	•	•
Needlecraft Kits and Supplies	**4,453**	**2.5**	**4,104**	**2.3**	**420**	**0.2**
	4,736	2.7	4,309	2.4	535	0.3

*indicates category was not available in 1989 study.

ITEMS ORDERED BY MAIL OR PHONE IN LAST 12 MONTHS
(CONTINUED FROM PAGE 4)

Boldface #'s = 1990
Lightface #'s = 1989

	By Mail or Phone		By Mail		By Phone	
	'000	%	'000	%	'000	%
Dolls (Collectible Type)	**2,438**	**1.3**	**1,782**	**1.0**	**821**	**0.5**
	•	•	•	•	•	•
Toys	**8,892**	**4.9**	**6,233**	**3.4**	**3,221**	**1.8**
	7,688	4.3	5,983	3.4	2,269	1.3
Sporting Goods	**8,408**	**4.6**	**4,721**	**2.6**	**5,525**	**3.1**
	6,096	3.4	4,709	2.6	2,199	1.2
Gardening Equipment/Tools	**2,826**	**1.6**	**2,361**	**1.3**	**594**	**0.3**
	2,780	1.6	2,151	1.2	799	0.4
Workshop Tools	**3,825**	**2.1**	**2,538**	**1.4**	**1,578**	**0.9**
	3,642	2.0	2,967	1.7	993	0.6
Coins (Numismatic)	**1,726**	**1.0**	**1,570**	**0.9**	**222**	**0.1**
	1,757	1.0	1,482	0.8	328	0.2
Medallions, Commemorative Plates, etc.	**1,139**	**0.6**	**1,012**	**0.6**	**127**	**0.1**
	1,581	0.9	1,272	0.7	314	0.2
Figurines (Porcelain, Pewter, Bronze, etc.)	**2,366**	**1.3**	**2,010**	**1.1**	**418**	**0.2**
	•	•	•	•	•	•
Furniture	**2,453**	**1.4**	**1,126**	**0.6**	**1,446**	**0.8**
	2,322	1.3	1,309	0.7	1,051	0.6
Cookware and Kitchen Accessories	**7,445**	**4.1**	**5,733**	**3.2**	**2,231**	**1.2**
	6,281	3.5	5,231	2.9	1,096	0.6
Small Appliances	**2,956**	**1.6**	**2,151**	**1.2**	**897**	**0.5**
	2,074	1.2	1,678	0.9	458	0.3
Banking Information	**2,714**	**1.5**	**1,476**	**0.8**	**1,410**	**0.8**
	3,024	1.7	1,650	0.9	1,598	0.9
Stocks, Bonds, Mutual Funds	**2,715**	**1.5**	**1,609**	**0.9**	**1,384**	**0.8**
	•	•	•	•	•	•
Investment Information/ Newsletter	**1,678**	**0.9**	**1,236**	**0.7**	**518**	**0.3**
	1,924	1.1	1,465	0.8	551	0.3
Credit Cards	**8,475**	**4.7**	**7,297**	**4.0**	**1,552**	**0.9**
	8,983	5.0	8,019	4.5	1,285	0.7
Insurance	**3,428**	**1.9**	**2,205**	**1.2**	**1,472**	**0.8**
	4,506	2.5	3,161	1.8	1,734	1.0
Real Estate Information	**2,123**	**1.2**	**1,373**	**0.8**	**805**	**0.4**
	1,819	1.0	1,197	0.7	749	0.4
Travel Information	**10,572**	**5.8**	**6,917**	**3.8**	**4,752**	**2.6**
	10,911	6.1	8,059	4.5	4,045	2.3
Educational Programs	**2,129**	**1.2**	**1,831**	**1.0**	**342**	**0.2**
	2,009	1.1	1,682	0.9	424	0.2
Trees, Plants, Seeds	**9,504**	**5.2**	**8,802**	**4.9**	**910**	**0.5**
	8,637	4.8	8,259	4.6	616	0.3
Vitamins	**3,966**	**2.2**	**3,407**	**1.9**	**705**	**0.4**
	4,110	2.3	3,806	2.1	418	0.2
Other Items (not listed)	**14,838**	**8.2**	**10,611**	**5.9**	**5,964**	**3.3**
	11,895	6.7	9,240	5.2	3,576	2.0
None			**14,124**	**7.8**	**36,300**	**20.0**
			6,459	3.6	51,629	29.0
Do Not Know	**9,054**	**5.0**	**9,170**	**5.1**	**11,578**	**6.4**
	10,100	5.7	10,155	5.7	10,482	5.9

•indicates category was not available in 1989 study.

Source: Simmons Market Research Bureau: 1989 & 1990 Study of Media and Markets.

MAIL AND PHONE ORDERS
AMOUNT SPENT ON ALL MERCHANDISE AND SERVICES ORDERED IN LAST 12 MONTHS

The Study of Media and Markets is a syndicated study based on a stratified multistage area probability sample of 19,373 adults in 1989 and 19,874 in 1990, interviewed between the months of July and June. The product usage and buying behavior data was gathered through self-administered questionnaires and personal interviews. The results (below) were then projected to reflect the entire U.S. population, estimated to be 178,193,000 in 1989 and 181,131,000 in 1990.

Boldface #'s = 1990
Lightface #'s = 1989

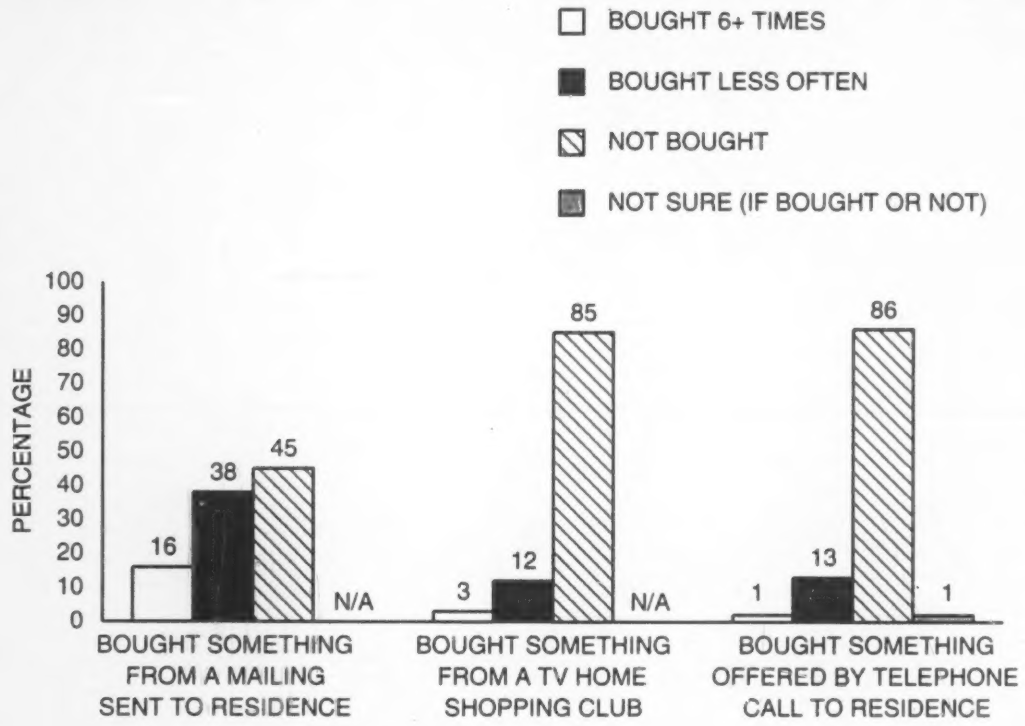
	Total U.S.	Ordered by Mail or Phone in last 12 months		Less than $50		$50—$149		$150 or More	
	'000	'000	%	'000	%	'000	%	'000	%
Total Adults	**181,131**	**98,624**	**54.4**	**29,071**	**16.0**	**33,536**	**18.5**	**36,018**	**19.9**
	178,193	91,666	51.4	26,640	15.0	30,620	17.2	34,406	19.3
Males	**86,476**	**41,582**	**48.1**	**12,404**	**14.3**	**13,143**	**15.2**	**16,034**	**18.5**
	85,056	38,876	45.7	11,548	13.6	12,968	15.2	14,360	16.9
Females	**94,655**	**57,043**	**60.3**	**16,667**	**17.6**	**20,393**	**21.5**	**19,984**	**21.1**
	93,136	52,790	56.7	15,092	16.2	17,652	19.0	20,046	21.5
18—24	**25,507**	**11,842**	**46.4**	**3,941**	**15.5**	**4,103**	**16.1**	**3,797**	**14.9**
	25,713	11,615	45.2	4,183	16.3	3,806	14.8	3,626	14.1
25—34	**43,858**	**25,155**	**57.4**	**7,458**	**17.0**	**8,507**	**19.4**	**9,190**	**21.0**
	43,283	22,428	51.8	6,122	14.1	7,803	18.0	8,503	19.6
35—44	**36,206**	**21,957**	**60.6**	**5,739**	**15.9**	**6,706**	**18.5**	**9,513**	**26.3**
	34,804	20,273	58.2	5,424	15.6	6,338	18.2	8,511	24.5
45—54	**24,795**	**14,180**	**57.2**	**4,007**	**16.2**	**4,557**	**18.4**	**5,616**	**22.6**
	23,902	13,246	55.4	3,155	13.2	4,174	17.5	5,917	24.8
55—64	**21,496**	**11,671**	**54.3**	**3,285**	**15.3**	**4,579**	**21.3**	**3,807**	**17.7**
	21,733	11,367	52.3	3,240	14.9	3,983	18.3	4,145	19.1
65 or older	**29,268**	**13,820**	**47.2**	**4,640**	**15.9**	**5,084**	**17.4**	**4,096**	**14.0**
	28,756	12,737	44.3	4,516	15.7	4,517	15.7	3,705	12.9
Northeast-Census	**38,551**	**21,260**	**55.1**	**4,613**	**12.0**	**6,429**	**16.7**	**10,219**	**26.5**
	37,709	17,309	45.9	4,645	12.3	4,933	13.1	7,731	20.5
Midwest	**44,079**	**27,410**	**62.2**	**7,871**	**17.9**	**9,843**	**22.3**	**9,696**	**22.0**
	43,858	26,572	60.6	7,200	16.4	8,888	20.3	10,483	23.9
South	**62,458**	**32,138**	**51.5**	**11,991**	**19.2**	**10,634**	**17.0**	**9,513**	**15.2**
	61,120	30,857	50.5	10,358	16.9	10,404	17.0	10,096	16.5
West	**36,042**	**17,816**	**49.4**	**4,596**	**12.8**	**6,631**	**18.4**	**6,590**	**18.3**
	35,505	16,928	47.7	4,437	12.5	6,395	18.0	6,096	17.2
Household income $60,000+	**31,937**	**20,858**	**65.3**	**4,649**	**14.6**	**6,821**	**21.4**	**9,388**	**29.4**
	19,957	12,242	61.3	2,421	12.1	3,917	19.6	5,904	29.6
$50,000 or more	**47,508**	**30,721**	**64.7**	**6,991**	**14.7**	**10,097**	**21.3**	**13,632**	**28.7**
	31,697	19,403	61.2	4,206	13.3	6,245	19.7	8,952	28.2
$40,000 or more	**68,804**	**43,567**	**63.3**	**10,418**	**15.1**	**14,282**	**20.8**	**18,868**	**27.4**
	53,998	32,925	61.0	7,098	13.1	11,005	20.4	14,822	27.4
$30,000 or more	**96,864**	**60,191**	**62.1**	**14,986**	**15.5**	**20,088**	**20.7**	**25,117**	**25.9**
	83,793	50,168	59.9	11,211	13.4	17,403	20.8	21,553	25.7
$30,000—$39,999	**28,060**	**16,624**	**59.2**	**4,569**	**16.3**	**5,806**	**20.7**	**6,250**	**22.3**
	29,795	17,243	57.9	4,113	13.8	6,398	21.5	6,731	22.6
$20,000—$29,999	**30,796**	**16,636**	**54.0**	**5,297**	**17.2**	**5,710**	**18.5**	**5,629**	**18.3**
	34,040	17,411	51.1	5,704	16.8	5,493	16.1	6,214	18.3
$10,000—$19,999	**32,038**	**14,782**	**46.1**	**5,541**	**17.3**	**5,242**	**16.4**	**3,999**	**12.5**
	38,419	16,081	41.9	5,997	15.6	5,185	13.5	4,900	12.8
Under $10,000	**21,433**	**7,016**	**32.7**	**3,247**	**15.1**	**2,496**	**11.6**	**1,273**	**5.9**
	21,942	8,007	36.5	3,728	17.0	2,539	11.6	1,739	7.9

Source: Simmons Market Research Bureau: 1989 & 1990 Study of Media and Markets.

FREQUENCY OF CONSUMER DIRECT MARKETING PURCHASES IN PAST YEAR

BASE = 2254

The following chart is taken from *The Equifax Report on Consumers in the Information Age*, a national opinion study exploring public and leadership experiences with, and attitudes toward, the use of personal information in a wide variety of contexts. The survey, consisting mainly of interviews conducted with a cross section of 2,254 Americans eighteen years of age and older, was conducted in early 1990.



NOTE: Numbers may not add up to 100% due to rounding

Source: Equifax, Inc., The Equifax Report on Consumers in the Information Age, 1990.

1990 DIRECT RESPONSE ADVERTISING SALARIES

Crandall Associates, Inc. have determined the salaries by the following process: 1) Discussion with employers, from presidents to personnel officers throughout the country, in companies varying in geographic areas, number of employees, and sales volume. 2) Personal interviews and discussions with the professionals in Direct Marketing at all salary levels, working from coast to coast. 3) Search assignments that have been received nationally, enabling Crandall Associates, Inc. to confirm salary levels that prove to be effective in recruiting candidates from each experience range, and serve as a double check on the figures.

Position Title And Description	Years Exp.	Base Salary Range (excluding benefits)		Leading Firms
ADVERTISING MANAGER: Corporate responsibility for conversion of marketing plan into communication using creative tools and media.	1—3	$34,600	$46,700	$46,900
	4—7	$45,900	$50,000	$54,400
	7+	$53,400	$56,700	$59,500
AGENCY ACCOUNT EXECUTIVE: Liaison with clients, development of marketing, media, copy and art to secure client's goals within budget.	1—3	$21,300	$25,500	$29,700
	4—7	$26,000	$34,200	$37,900
	7+	$35,200	$39,400	$44,900
AGENCY ACCOUNT SUPERVISOR: Manages account executives, develops new business programs and helps guide the agency's course.	1—3	$36,300	$40,600	$45,800
	4—7	$43,300	$47,100	$53,400
	7+	$51,600	$56,500	$58,900
ART DIRECTOR/Catalog: Sets graphic tone, color, format, type, photography, images and paper for maximum sales at minimum cost.	1—3	$22,200	$24,400	$29,700
	4—7	$26,300	$31,800	$38,700
	7+	$36,400	$41,600	$48,000
ART DIRECTOR/Direct Mail, Space: Conceptualize and design graphics for maximum readership to achieve the marketing objectives.	1—3	$28,300	$31,200	$35,300
	4—7	$33,200	$36,300	$40,200
	7+	$37,700	$44,600	$52,400
ART STAFF: Responsible for the creation of comps, type spec'ing, camera-ready mechanicals, under the direction of the art director.	1—3	$15,800	$20,300	$22,800
	4—7	$20,800	$24,800	$26,200
	7+	$25,700	$28,900	$33,200
COPY CHIEF: Conceptualizes, supervises, inspires and directs copywriters in creation of written promotional materials for all media.	1—3	$28,100	$31,400	$35,900
	4—7	$33,500	$38,300	$42,500
	7+	$40,200	$44,900	$50,700
COPYWRITER/Catalog: Ability to write copy that sparkles and accurately sells products, generally in very limited space on the page.	1—3	$16,300	$18,500	$23,000
	4—7	$20,900	$25,300	$28,700
	7+	$26,700	$34,400	$38,200
COPYWRITER/Direct Mail, Space: With knowledge of the product or service, ability to sell effectively with solo "packages" or space ads.	1—3	$19,300	$24,300	$28,400
	4—7	$26,600	$33,500	$38,600
	7+	$34,700	$40,500	$45,900
CREATIVE DIRECTOR/Agency: With account group, uses talent and experience to develop copy and graphics for the agency's clients.	1—3	$40,800	$45,200	$53,100
	4—7	$51,900	$56,[illegible]00	$62,000
	7+	$58,700	$64,500	$69,900
CREATIVE DIRECTOR/Corporate: Guides staff in developing art and copy capabilities for creative communications with customers.	1—3	$31,300	$35,800	$38,900
	4—7	$36,600	$41,000	$44,900
	7+	$42,000	$51,400	$55,900
MARKETING DIRECTOR/Consumer Catalog: Determines marketing position, guides merchandise direction and carries the P&L duty.	1—3	$40,800	$46,400	$53,100
	4—7	$50,700	$56,500	$64,700
	7+	$58,100	$70,500	$77,200
MARKETING DIRECTOR/Consumer Products: Profit and loss responsibility and leads product managers in strategic planning and sales.	1—3	$46,100	$51,400	$57,700
	4—7	$54,800	$59,400	$67,800
	7+	$61,900	$72,400	$84,200

(continued)

1990 DIRECT RESPONSE ADVERTISING SALARIES
(CONTINUED FROM PAGE 8)

Position Title And Description	Years Exp.	Base Salary Range (excluding benefits)		Leading Firms
MARKETING/Business Product Manager: Sells products or services to defined and targeted commercial markets, generally with catalogs.	1—3	$23,700	$28,200	$33,200
	4—7	$30,100	$36,200	$40,100
	7+	$38,500	$43,000	$45,600
MARKETING/Consumer Product Manager: Responsible for positioning, sales and creative strategy for maximum penetration of market.	1—3	$27,400	$29,700	$34,300
	4—7	$32,000	$39,000	$42,400
	7+	$40,100	$46,800	$50,000
MARKET RESEARCH MANAGER: Gathers and distills data into intelligent information utilizing the complete gamut of research tools.	1—3	$24,700	$29,300	$34,300
	4—7	$30,700	$34,700	$40,400
	7+	$36,900	$38,500	$43,400
MARKET RESEARCH/Analyst: Generally using computer-generated material, analyzes raw data with sophisticated statistical techniques.	1—3	$19,700	$22,100	$24,300
	4—7	$23,400	$25,500	$28,700
	7+	$27,500	$29,700	$31,600
MEDIA DIRECTOR: Directs staff in all media expenditures to solve marketing problems at the most efficient cost to client or company.	1—3	$29,200	$33,600	$36,200
	4—7	$35,600	$37,100	$39,200
	7+	$38,800	$40,800	$43,600
MEDIA PLANNER/BUYER: Depending on the size of organization, develops plans and buys print, broadcast and other media efficiently.	1—3	$19,000	$21,600	$24,500
	4—7	$23,200	$26,900	$28,900
	7+	$27,800	$30,300	$31,400
MERCHANDISE MANAGER: Eye for value and uniqueness, identifies, develops, and buys goods of constant quality in sufficient quantities.	1—3	$31,800	$38,200	$39,900
	4—7	$36,800	$40,300	$43,500
	7+	$42,100	$51,900	$58,700
MERCHANDISE BUYER: Develops products, shops, covers markets, meets and negotiates with vendors and keeps tabs on inventory.	1—3	$22,300	$23,400	$28,600
	4—7	$25,900	$30,000	$33,000
	7+	$31,000	$35,700	$37,400
PRODUCTION MANAGER: Knows about processes, particularly printing, to buy or produce materials, with emphasis on costs and quality.	1—3	$23,300	$26,400	$29,400
	4—7	$26,500	$32,600	$36,000
	7+	$33,500	$41,900	$46,300

Source: Crandall Associates, Inc. 1990.

DIRECT RESPONSE ADVERTISING AGENCY GROSS BILLINGS

Billings reported by some agencies include production revenue for services such as database, lettershop, printing, etc. performed internally. Those agencies are indicated by a ◆.

AGENCIES	TOTAL BILLINGS (In Millions)		U.S. BILLINGS (In Millions)		INTERNATIONAL BILLINGS (In Millions)	
	1989	1990	1989	1990	1989	1990
Ogilvy & Mather Direct Response	739.0	855.2	305.0	354.2	434.0	501.0
Wunderman Worldwide ★ (1)	475.7	567.0	232.8†	254.4	242.9	312.6
Rapp Collins Marcoa ◆ (2)	226.0	398.2	226.0	243.2	N/A	155.0
Foote, Cone & Belding Communications, Inc.(3) ◆	310.3	319.3	210.1†	214.3	100.2	105.0
Kobs & Draft Advertising, Inc.	210.2	300.2	116.9	134.3	93.3	165.9
Grey Direct International (4)	189.0	206.7	119.0	120.0	70.0	86.7
McCann Direct	161.0	191.0	46.0	46.0	115.0	145.0
The Direct Marketing Group, Inc. ◆	149.6	146.2	149.6	146.2	N/A	N/A
Bronner Slosberg Humphrey, Inc. ★	79.8	127.2	79.8	127.2	N/A	N/A
Lintas: Marketing Communications	107.5	123.0	107.5†	123.0	N/A	N/A
Schober MCA Werbeagentur, GmbH (Germany) ★	116.1	110.2	N/A	N/A	116.1	110.2
DMCA Direct (5) ◆	88.9	107.8	88.9	107.8	N/A	N/A
Barry Blau & Partners, Inc. ★	101.2	101.0	101.2	101.0	N/A	N/A
Chapman Direct Advertising ★	48.2	100.1	48.2	100.1	N/A	N/A
Bowes Dentsu & Partners (6)	92.4	97.1	92.4	97.1	N/A	N/A
Devon Direct Marketing & Advertising, Inc. ★	82.0	94.2	82.0	94.2	N/A	N/A
Customer Development Corporation ◆	79.4	76.8	79.4	76.8	N/A	N/A
Ayer Direct, a Division of N.W. Ayer, Inc.	48.0	67.3	48.0	50.0	N/A	17.3
Saatchi & Saatchi Direct ◆	43.5	61.9	43.5†	61.9	N/A	N/A
U. S. Communications Corporation (7)	53.8	60.0	53.8	60.0	N/A	N/A
GSP Marketing Services ★	43.3	55.2	43.3	55.2	N/A	N/A
Saugatuck Direct (8)	47.7	52.9	47.7	52.9	N/A	N/A
Clarion Marketing and Communications, Inc. (9)	46.5	52.9	46.5	52.9	N/A	N/A
Lowe Direct (10)	55.0	52.5	55.0	52.5	N/A	N/A
Perkins/Butler ★	28.7	46.7	28.7	46.7	N/A	N/A
Ross Roy, Inc. ◆	32.7	42.2	32.7	42.2	N/A	N/A
The Walter Latham Company ◆	39.0	42.0	39.0	42.0	N/A	N/A
McCaffrey and McCall Direct Marketing	37.5	40.0	37.5	40.0	N/A	N/A
Manus Direct Response Marketing ★◆	32.2	36.5	32.2	36.5	N/A	N/A
The Gillespie Organization	36.8	35.3	36.8	35.3	N/A	N/A
Earle Palmer Brown	26.0	35.0	26.0†	35.0	N/A	N/A
Doner Direct	30.5	32.8	30.5	32.8	N/A	N/A
The Stenrich Group, Inc. ◆	29.4	32.1	29.4	32.1	N/A	N/A
Hill, Holliday, Connors, Cosmopulos, Inc.	35.9	31.2	35.9	31.2	N/A	N/A
Berenson, Isham & Partners, Inc.	29.6	30.9	29.2	30.5	0.4	0.4
Brierly & Partners ★ (11)	23.1	30.2	23.1	30.2	N/A	N/A
Publipost S. L. (Spain) ◆	38.7	30.1	N/A	N/A	38.7	30.1
Wilson Sculley Associates, Inc. ★	19.3	28.1	19.3	28.1	N/A	N/A
Steinert & Associates	27.5	28.0	27.5	28.0	N/A	N/A
Lawrence Butner Advertising, Inc. ★	25.2	25.2	25.2	25.2	N/A	N/A
Direct Response Broadcasting Network	18.0	24.0	18.0	24.0	N/A	N/A
J. Walter Thompson Direct – USA	12.6	23.7	12.6†	23.7	N/A	N/A
Herring Newman, Inc. (12)	18.6	23.6	18.6†	23.6	N/A	N/A
Grizzard Advertising, Inc. ★◆	20.5	22.6	20.5†	22.6	N/A	N/A
McClure & Company (13)	15.0	22.4	15.0	22.4	N/A	N/A

(continued)

DIRECT RESPONSE ADVERTISING AGENCY GROSS BILLINGS
(CONTINUED FROM PAGE 10)

AGENCIES	TOTAL BILLINGS (In Millions)		U.S. BILLINGS (In Millions)		INTERNATIONAL BILLINGS (In Millions)	
	1989	1990	1989	1990	1989	1990
Cemit Direct Media SPA (Italy) ★◆	14.5	21.5	N/A	N/A	14.5	21.5
Fox MMJM Direct, Inc. ★	20.1	21.1	20.1	21.1	N/A	N/A
Huntsinger & Jeffer, Inc. ★◆	18.4	20.2	18.4	20.2	N/A	N/A
Directement (France) ★	10.0	19.8	N/A	N/A	10.0	19.8
Hemmings, Birkholm & Grizzard	19.4	19.6	19.4	19.6	N/A	N/A
The Direct Marketing Agency, Inc.	21.3	19.3	21.3	19.3	N/A	N/A
Cramer-Krasselt ★	17.4	18.6	17.4	18.6	N/A	N/A
DCI Marketing ★◆	19.6	18.4	19.6	18.4	N/A	N/A
Wakeman & deForrest	15.3	18.2	15.3	18.2	N/A	N/A
Mediavente Conseil (France) ★	12.2	18.1	N/A	N/A	12.2	18.1
Gross Townsend Frank Hoffman, Inc.	10.0	18.0	10.0	18.0	N/A	N/A
Kern/Mathai	15.7	16.9	15.7	16.9	N/A	N/A
Tracey-Locke Direct	14.4	16.6	14.4	16.6	N/A	N/A
Karl Rove & Company ◆	30.9	16.0	30.9	16.0	N/A	N/A
Nash Direct, Inc.	21.0	15.7	21.0	15.7	N/A	N/A
Hal Langerman Company	12.3	15.6	12.3	15.6	N/A	N/A
More Direct, Inc.	13.6	15.5	13.6	15.5	N/A	N/A
The Townsend Agency, Ltd.	12.4	15.4	12.4	15.4	N/A	N/A
Shain/Colavito/Pensabene Direct, Inc. ★	11.1	15.1	11.1	15.1	N/A	N/A
Clark Direct Marketing, Inc.	16.4	15.1	16.4	15.1	N/A	N/A
Bozell Direct	23.3	15.1	23.3	15.1	N/A	N/A
Sandven & Associates, Inc. ◆	16.0	15.0	16.0†	15.0	N/A	N/A
Deutsch Direct ◆	0.8	13.5	0.8	13.5	N/A	N/A
Wyse Direct	12.6	13.3	12.6†	13.3	N/A	N/A
Cabot Communications	15.1	13.2	15.1	13.2	N/A	N/A
Lortz Direct Marketing, Inc. (LDMI) ★	8.6	12.3	8.6	12.3	N/A	N/A
Creative Direct Marketing Group, Inc. ◆	5.5	11.3	4.6	10.1	0.9	1.2
Kuhn & Wittenborn Advertising ★	13.0	10.5	13.0	10.5	N/A	N/A
Carles, Inc.	16.6	10.3	16.6	10.3	N/A	N/A
Haynes and Pittenger Direct ★◆	9.1	10.3	9.1	10.3	N/A	N/A
Smith Lask Associates, Inc. ★	8.8	10.2	8.8†	10.2	N/A	N/A
DM&F Consultants - Direct Marketing (France) ★◆	4.2	9.0	N/A	N/A	4.2	9.0
Gerald Siegel & Associates ★	8.3	8.9	8.3	8.9	N/A	N/A
Bennett Kuhn Varner, Inc.	6.0	8.7	6.0	8.7	N/A	N/A
CMF&Z ★◆	6.3	8.4	6.3	8.4	N/A	N/A
Biggs/Gilmore Associates ◆	10.3	8.4	10.3	8.4	N/A	N/A
Fletcher, Gampper & Wirth, Inc.	6.4	8.3	6.4	8.3	N/A	N/A
Ronald James Direct	5.5	8.0	5.5	8.0	N/A	N/A
RSHS - Direct ★	N/A	7.4	N/A	7.4	N/A	N/A
Evergreen Advertising & Marketing	7.9	7.1	7.9	7.1	N/A	N/A
Bartels/Verdonk Impuls (Netherlands)	8.7	7.1	N/A	N/A	8.7	7.1
Kobs, Gregory & Passavant ★	3.1	7.0	3.1	7.0	N/A	N/A
Ad Hoc Marketing Resources	9.9	6.9	9.9	6.9	N/A	N/A
Associates & Larranaga	N/A	6.9	N/A	6.9	N/A	N/A
Ketchum Communications, Inc. (14)	8.7	6.8	8.7	6.8	N/A	N/A
Carmichael Lynch ★◆	5.8	6.7	5.8	6.7	N/A	N/A
Direxions (Belgium) ★	N/A	6.6	N/A	N/A	N/A	6.6
Carl Bloom Associates, Inc.	6.0	6.3	6.0	6.3	N/A	N/A
Harmon Smith, Inc.	5.0	6.0	5.0	6.0	N/A	N/A
AC&R Direct Marketing, Inc. ◆	6.5	6.0	6.5	6.0	N/A	N/A

(continued)

DIRECT RESPONSE ADVERTISING AGENCY GROSS BILLINGS

(CONTINUED FROM PAGE 11)

AGENCIES	TOTAL BILLINGS (In Millions) 1989	TOTAL BILLINGS (In Millions) 1990	U.S. BILLINGS (In Millions) 1989	U.S. BILLINGS (In Millions) 1990	INTERNATIONAL BILLINGS (In Millions) 1989	INTERNATIONAL BILLINGS (In Millions) 1990
Communiqué Inc. ★◆	N/A	5.8	N/A	5.8	N/A	N/A
Sheldon Fredericks Adv. Inc. ◆	5.0	5.3	5.0	5.3	N/A	N/A
Sader & Associates, Inc. ★	4.5	5.3	4.5	5.3	N/A	N/A
Sales Development Associates, Inc.	2.2	4.9	2.2	4.9	N/A	N/A
Princeton Direct, Inc.	2.2	4.7	2.2	4.7	N/A	N/A
K. I. Lipton, Inc.	4.8	4.6	4.8	4.6	N/A	N/A
Ronald A. Bernstein & Associates, Inc.	3.3	4.5	3.3	4.5	N/A	N/A
Jacobs & Clevenger, Inc. ◆	2.6	4.5	2.6	4.5	N/A	N/A
Integrated Target Marketing ★	2.8	4.0	2.8	4.0	N/A	N/A
Directech, Inc.	N/A	3.7	N/A	3.7	N/A	N/A
PSW Direct	4.7	3.7	4.7	3.7	N/A	N/A
Colle & McVoy	N/A	3.5	N/A	3.5	N/A	N/A
Northwest Direct, Direct Response Advertising & Database Marketing ★	1.9	3.4	1.9	3.4	N/A	N/A
Hogan & Associates, Inc. ★	2.4	3.3	2.4†	3.3	N/A	N/A
Direct Solutions, Inc.	2.4	3.2	2.4	3.2	N/A	N/A
DDF&M Direct	2.7	3.2	2.7	3.2	N/A	N/A
Cochran & Sandford Direct ◆	2.3	3.0	2.3	3.0	N/A	N/A
Keroff & Rosenberg Advertising, Inc.	2.5	3.0	2.5	3.0	N/A	N/A
J. W. Prendergast & Associates, Inc.	2.9	3.0	2.2	2.2	0.7	0.8
Marquardt & Roche, Inc.	2.7	2.9	2.7	2.9	N/A	N/A
Fahlgren Martin Direct (15)	2.6	2.8	2.6†	2.8	N/A	N/A
The Emerson Marketing Agency	3.6	2.6	3.6	2.6	N/A	N/A
DM Adresseservice A/S (Norway) ◆	2.2	2.5	N/A	N/A	2.2	2.5
Hero Communications P/L (Australia) ★	1.4	2.4	N/A	N/A	1.4	2.4
Liggett Stashower Direct	1.7	2.2	1.7	2.2	N/A	N/A
MWA Direct, Inc.	2.7	2.1	2.7†	2.1	N/A	N/A
Southern Marketing Services, Inc. ◆	1.7	1.9	1.7†	1.9	N/A	N/A
Corcillo Direct, Inc.	1.4	1.8	1.4	1.8	N/A	N/A
Harris Brandt Advertising, Inc. ★	1.4	1.4	1.4	1.4	N/A	N/A
Marc Direct	1.0	1.2	1.0	1.2	N/A	N/A
Garnier Direct-O (Costa Rica) ◆	1.0	1.1	N/A	N/A	1.0	1.1
The Kilgannon Group, Inc.	0.9	1.0	0.9†	1.0	N/A	N/A
Henderson Direct	1.0	1.0	1.0	1.0	N/A	N/A
Brett Associates	0.6	0.7	0.6	0.7	N/A	N/A

FOOTNOTES:

★ Information was confirmed by an outside auditing firm.

† Agencies submitted adjusted figures for 1989.

◆ Agencies whose direct response billings include revenue from internal production capabilities.

(1) Wunderman Worldwide's 1990 international billings include offices in New Zealand and Brazil.

(2) Rapp Collins Marcoa's international billings do not include revenue from internal production.

(3) Foote, Cone & Belding's international billings do not include revenue from internal production.

(4) Grey Direct's 1990 international billings include Almen Direct, Sweden and Dialog A.G., Switzerland.

(5) In 1990 DMCA Direct acquired MMI Direct.

(6) Bowes Dentsu & Partners formerly HDM Worldwide Direct.

(7) Direct response segment of U.S. Communications Corporation formerly known as Unispond, Inc.

(8) Saugatuck Direct was acquired by the Carlson Companies in August, 1990.

(9) 1989 and 1990 billings include DMB&B Direct, which was merged into Clarion Marketing and Communications, Inc. in 1990.

(10) In 1990 Lowe Marshalk's Direct Marketing Group was spun off as a separate operating unit called Lowe Direct. The Cleveland office was sold to Fahlgren and Swink. 1990 figure includes billings from New York and Rochester only. 1989 figure includes billings from Cleveland, New York and Rochester.

(11) Brierly & Partners 1990 figure includes billings from a new office in Chicago.

(12) Herring Newman, Inc.'s billings represent 12 months ending January 31, 1991.

(13) McClure & Company's 1990 billings include newly formed subsidiaries Emory & McClure, Raitt/McClure, and Direct Response Media, Inc.

(14) Ketchum Communications 1989 figure includes billings from offices in San Francisco, Los Angeles, Chicago, Philadelphia and Pittsburgh. 1990 figure does not include billings from Pittsburgh office.

(15) Formerly known as Fahlgren & Swink. 1989 and 1990 billings are from Fahlgren Martin's Cincinnati office.

NOTE: This list represents only those agencies who responded to requests made in 1991 for full year 1990 and 1989 U.S. and International direct response billings. All figures were supplied by the individual agencies, who were asked to include capitalized media commissions, material and services fees and agency fees; plus revenue derived from direct marketing internal production activities.

Figures listed in the "Total Billings" column equal the sum of the U.S. and international billings. The data is ranked by 1990 "total billings." "N/A" indicates billings were either not available or not applicable. Firms submitting international billings only are listed with the agency's name first, followed by the country where the agency submitting the data is located.

Source: Direct Marketing Association Research Department, May 1991.

MEDIA UNIT* COST TRENDS

(1982—84 = 100)

	1985	1986	1987	1988	1989	1990	1991
NEWSPAPERS	117	125	133	142	151	160	166
MAGAZINES	116	122	126	134	141	148	154
NETWORK TV	119	124	128	133	140	144	151
SPOT TV	116	123	127	131	135	142	146
NETWORK RADIO	117	126	123	121	133	137	141
SPOT RADIO	115	118	116	121	128	133	138
OUTDOOR	118	124	129	134	141	145	149
DIRECT MAIL	106	108	111	120	126	130	140
COMPOSITE	115	120	125	134	139	146	152

*A unit in the various media listed includes a single black-and-white page for newspapers, a four-color ad for magazines, 30-second spots for network and spot TV, one-minute spots for network and spot radio; a 100 showing in outdoor (100 GRPs, which is the reach and frequency of x-amount of boards per day), and 25,000 pieces of direct mail.

GRP = Gross Rating Points

= The sum of the ratings for a series of programs which makes it possible to compare the relative magnitude of advertisers' schedules.

– One rating point equals 1% of the households in a market.

Media Unit Cost—Lets you rank on a per unit basis and then compare the media.

Source: Robert J. Coen, McCann-Erickson 1991.

ESTIMATED 1989—1990 U.S. AD VOLUME

	1989 ($ MILLIONS)	1990 ($ MILLIONS)	% Change
NATIONAL			
NEWSPAPERS	3,704	3,867	+4.4
MAGAZINES	6,716	6,803	+1.3
NETWORK TV	9,110	9,383	+3.0
SPOT TV	7,354	7,788	+5.9
CABLE TV	1,197	1,393	+16.4
SYNDICATED TV	1,288	1,589	+23.4
NETWORK RADIO	476	482	+1.3
SPOT RADIO	1,547	1,635	+5.7
OUTDOOR	653	640	-2.0
DIRECT MAIL	21,945	23,370	+6.5
OTHER NATIONAL MEDIA	15,000	15,830	+5.5
TOTAL NATIONAL ADVERTISING	68,990	72,780	+5.5
LOCAL			
NEWSPAPERS	28,664	28,414	-0.9
LOCAL TV	7,612	7,856	+3.2
CABLE TV	330	396	+20.0
LOCAL RADIO	6,300	6,609	+4.9
OUTDOOR	458	444	-3.0
OTHER LOCAL MEDIA	11,576	12,141	+4.9
TOTAL LOCAL ADVERTISING	54,940	55,860	+1.7
TOTAL ALL ADVERTISING	123,930	128,640	+3.8

Note: According to Robert J. Coen, senior vice president and director of forecasting at McCann-Erickson, the total U.S. Advertising Expenditures for 1991 are now projected at 132.6 billion, a gain of 3.1% over 1990.

Source: Robert J. Coen, McCann-Erickson 1991.

ESTIMATED ANNUAL U.S. ADVERTISING EXPENDITURES 1982—1990
(IN MILLIONS OF DOLLARS)

	1982	1983	1984	1985	1986	1987	1988	1989	1990
NEWSPAPERS									
TOTAL	17,694	20,582	23,522	25,170	26,990	29,412	31,197	32,368	32,281
NATIONAL	2,452	2,734	3,081	3,352	3,376	3,494	3,586	3,704	3,867
LOCAL	15,242	17,848	20,441	21,818	23,614	25,918	27,611	28,664	28,414
MAGAZINES									
TOTAL	3,710	4,253	4,932	5,155	5,317	5,607	6,072	6,716	6,803
WEEKLIES	1,659	1,917	2,224	2,297	2,327	2,445	—	—	—
WOMEN'S	904	1,056	1,209	1,294	1,376	1,417	—	—	—
MONTHLIES	1,147	1,260	1,499	1,564	1,614	1,745	—	—	—
FARM PUBLICATIONS	148	163	181	186	192	196	196	212	215
TELEVISION									
TOTAL	14,636	16,759	19,848	21,022	22,881	23,904	25,686	26,891	28,405
THREE NETWORKS	6,144	6,955	8,318	8,060	8,342	8,500	9,172	9,110	9,383
CABLE NETWORKS	181	282	458	594	676	760	942	1,197	1,393
SYNDICATION (NAT'L)	150	300	420	520	600	762	901	1,288	1,589
SPOT (NAT'L)	4,364	4,827	5,488	6,004	6,570	6,846	7,147	7,354	7,788
SPOT (LOCAL)	3,765	4,345	5,084	5,714	6,514	6,833	7,270	7,612	7,856
CABLE (NON-NETWORK)	32	50	80	130	179	203	254	330	396
RADIO									
TOTAL	4,670	5,210	5,817	6,490	6,949	7,206	7,798	8,323	8,726
NETWORK	255	296	320	365	423	413	425	476	482
SPOT (NAT'L)	923	1,038	1,197	1,335	1,348	1,330	1,418	1,547	1,635
SPOT (LOCAL)	3,492	3,876	4,300	4,790	5,178	5,463	5,955	6,300	6,609
YELLOW PAGES									
TOTAL	3,800	4,400	4,900	5,800	6,500	7,300	7,781	8,330	8,926
NATIONAL	433	489	580	695	759	830	944	1,011	1,132
LOCAL	3,367	3,911	4,320	5,105	5,741	6,470	6,837	7,319	7,794
DIRECT MAIL	10,319	11,795	13,800	15,500	17,145	19,111	21,115	21,945	23,370
BUSINESS PUBLICATIONS	1,876	1,990	2,270	2,375	2,382	2,458	2,610	2,763	2,875
OUTDOOR									
TOTAL	721	794	872	945	985	1,025	1,064	1,111	1,084
NATIONAL	465	512	562	610	600	615	628	653	640
LOCAL	256	282	310	335	385	410	436	458	444
MISCELLANEOUS									
TOTAL	9,006	9,924	11,678	12,107	12,799	13,431	14,531	15,271	15,955
NATIONAL	6,365	6,911	8,083	8,604	9,120	9,703	10,454	10,998	11,608
LOCAL	2,641	3,013	3,595	3,503	3,679	3,728	4,077	4,273	4,347
TOTAL									
NATIONAL	37,785	42,525	49,690	53,355	56,850	60,625	65,610	68,990	72,780
LOCAL	28,795	33,325	38,130	41,395	45,290	49,025	52,440	54,940	55,860
GRAND TOTAL	66,580	75,850	87,820	94,750	102,140	109,650	118,050	123,930	128,640

Source: Robert J. Coen, McCann-Erickson, Inc., 1991

ESTIMATED ANNUAL U.S. ADVERTISING EXPENDITURES 1973—1981
(IN MILLIONS OF DOLLARS)

	1973	1974	1975	1976	1977	1978	1979	1980	1981
NEWSPAPERS									
TOTAL	7,481	7,842	8,234	9,618	10,751	12,214	13,863	14,794	16,528
NATIONAL	1,049	1,105	1,109	1,342	1,472	1,541	1,770	1,963	2,259
LOCAL	6,432	6,737	7,125	8,276	9,279	10,673	12,093	12,831	14,269
MAGAZINES									
TOTAL	1,448	1,504	1,465	1,789	2,162	2,597	2,932	3,149	3,533
FARM PUBLICATIONS	65	72	74	86	90	104	120	130	146
TELEVISION									
TOTAL	4,460	4,854	5,263	6,721	7,612	8,955	10,154	11,469	12,846
THREE NETWORKS	1,968	2,145	2,306	2,857	3,460	3,975	4,599	5,130	5,540
CABLE NETWORKS	—	—	—	—	—	—	—	45	100
SYNDICATION (NAT'L)	—	—	—	—	—	—	—	50	75
SPOT (NAT'L)	1,377	1,497	1,623	2,154	2,204	2,607	2,873	3,269	3,746
SPOT (LOCAL)	1,115	1,212	1,334	1,710	1,948	2,373	2,682	2,967	3,368
CABLE (NON-NETWORK)	—	—	—	—	—	—	—	8	17
RADIO									
TOTAL	1,723	1,837	1,980	2,330	2,634	3,052	3,310	3,702	4,230
NETWORK	68	69	83	105	137	147	161	183	230
SPOT (NAT'L)	400	405	436	518	546	620	665	779	879
SPOT (LOCAL)	1,255	1,363	1,461	1,707	1,951	2,285	2,484	2,740	3,121
YELLOW PAGES									
TOTAL	—	—	—	—	—	—	—	2,900	3,300
NATIONAL	—	—	—	—	—	—	—	330	380
LOCAL	—	—	—	—	—	—	—	2,570	2,920
DIRECT MAIL	3,698	4,054	4,124	4,786	5,164	5,987	6,653	7,596	8,944
BUSINESS PUBLICATIONS	865	900	919	1,035	1,221	1,400	1,575	1,674	1,841
OUTDOOR									
TOTAL	308	309	335	383	418	466	540	578	650
NATIONAL	200	203	220	252	290	307	355	364	419
LOCAL	108	106	115	131	128	159	185	214	231
MISCELLANEOUS									
TOTAL	4,932	5,248	5,506	6,552	7,388	8,555	9,633	7,558	8,412
NATIONAL	2,562	2,746	2,841	3,431	3,849	4,435	4,992	5,153	5,798
LOCAL	2,370	2,502	2,665	3,121	3,539	4,120	4,641	2,405	2,614
TOTAL									
NATIONAL	13,700	14,700	15,200	18,355	20,595	23,720	26,695	29,815	33,890
LOCAL	11,280	11,920	12,700	14,945	16,845	19,610	22,085	23,735	26,540
GRAND TOTAL	24,980	26,620	27,900	33,300	37,440	43,330	48,780	53,550	60,430

Source: Robert J. Coen, McCann-Erickson, Inc., 1991

ESTIMATED ANNUAL U.S. ADVERTISING EXPENDITURES 1964—1972
(IN MILLIONS OF DOLLARS)

	1964	1965	1966	1967	1968	1969	1970	1971	1972
NEWSPAPERS									
TOTAL	4,120	4,426	4,865	4,910	5,232	5,714	5,704	6,167	6,938
NATIONAL	773	784	887	846	889	943	891	972	1,062
LOCAL	3,347	3,642	3,978	4,064	4,343	4,771	4,813	5,195	5,876
MAGAZINES	1,074	1,161	1,254	1,245	1,283	1,344	1,292	1,370	1,440
FARM PUBLICATIONS	66	71	70	68	68	64	62	57	59
TELEVISION									
TOTAL	2,289	2,515	2,823	2,909	3,231	3,585	3,596	3,534	4,091
NETWORK	1,132	1,237	1,393	1,455	1,523	1,678	1,658	1,593	1,804
SPOT	806	892	988	988	1,131	1,253	1,234	1,145	1,318
LOCAL	351	386	442	466	577	654	704	796	969
RADIO									
TOTAL	846	917	1,010	1,048	1,190	1,264	1,308	1,445	1,612
NETWORK	59	60	63	64	63	59	56	63	74
SPOT	256	275	308	314	360	368	371	395	402
LOCAL	531	582	639	670	767	837	881	987	987
DIRECT MAIL	2,184	2,324	2,461	2,488	2,612	2,670	2,766	3,067	3,420
BUSINESS PAPERS	623	671	712	707	714	752	740	720	781
OUTDOOR									
TOTAL	175	180	178	191	208	213	234	261	292
NATIONAL	117	120	118	126	137	138	154	172	192
LOCAL	58	60	60	65	71	75	80	89	100
MISCELLANEOUS									
TOTAL	2,773	2,985	3,257	3,304	3,552	3,814	3,848	4,079	4,577
NATIONAL	1,630	1,745	1,896	1,909	2,020	2,131	2,126	2,201	2,428
LOCAL	1,143	1,240	1,361	1,395	1,532	1,683	1,722	1,878	2,149
TOTAL									
NATIONAL	8,720	9,340	10,150	10,210	10,800	11,400	11,350	11,755	12,980
LOCAL	5,430	5,910	6,480	6,660	7,290	8,020	8,200	8,945	10,230
GRAND TOTAL	14,150	15,250	16,630	16,870	18,090	19,420	19,550	20,700	23,210

Source: Robert J. Coen, McCann-Erickson, Inc. 1991.

ESTIMATED ANNUAL U.S. ADVERTISING EXPENDITURES 1955—1963
(IN MILLIONS OF DOLLARS)

	1955	1956	1957	1958	1959	1960	1961	1962	1963
NEWSPAPERS									
TOTAL	3,077	3,223	3,268	3,176	3,526	3,681	3,601	3,659	3,780
NATIONAL	712	754	768	724	773	778	744	722	702
LOCAL	2,365	2,469	2,500	2,452	2,753	2,903	2,857	2,937	3,078
MAGAZINES	691	758	777	734	832	909	895	942	1,002
FARM PUBLICATIONS	72	73	71	67	71	66	62	65	66
TELEVISION									
TOTAL	1,035	1,225	1,286	1,387	1,529	1,627	1,691	1,897	2,032
NETWORK	550	643	690	742	776	820	887	976	1,025
SPOT	260	329	352	397	486	527	548	629	698
LOCAL	225	253	244	248	267	280	256	292	309
RADIO									
TOTAL	545	567	618	620	656	693	683	736	789
NETWORK	84	60	63	58	44	43	43	46	56
SPOT	134	161	187	190	206	222	220	233	243
LOCAL	327	346	368	372	406	428	420	457	490
DIRECT MAIL	1,299	1,419	1,471	1,589	1,688	1,830	1,850	1,933	2,078
BUSINESS PAPERS	446	496	568	525	569	609	578	597	615
OUTDOOR									
TOTAL	192	201	199	192	193	203	180	171	171
NATIONAL	130	136	134	130	130	137	122	115	115
LOCAL	62	65	65	62	63	66	58	56	56
MISCELLANEOUS									
TOTAL	1,793	1,948	2,012	2,020	2,206	2,342	2,320	2,430	2,567
NATIONAL	1,002	1,111	1,169	1,184	1,280	1,364	1,366	1,437	1,520
LOCAL	791	837	843	836	926	978	954	993	1,047
TOTAL									
NATIONAL	5,380	5,940	6,250	6,340	6,855	7,305	7,315	7,695	8,120
LOCAL	3,770	3,970	4,020	3,970	4,415	4,655	4,545	4,735	4,980
GRAND TOTAL	9,150	9,910	10,270	10,310	11,270	11,960	11,860	12,430	13,100

Source: Robert J. Coen, McCann-Erickson, Inc. 1991.

ESTIMATED ANNUAL U.S. ADVERTISING EXPENDITURES 1947—1954
(IN MILLIONS OF DOLLARS)

	1947	1948	1949	1950	1951	1952	1953	1954
NEWSPAPERS								
TOTAL	1,471	1,745	1,911	2,070	2,251	2,464	2,632	2,685
NATIONAL	323	379	463	518	529	537	606	607
LOCAL	1,148	1,366	1,448	1,552	1,722	1,927	2,026	2,078
MAGAZINES	464	477	458	478	535	575	627	629
FARM PUBLICATIONS	49	56	55	58	64	70	71	71
TELEVISION								
TOTAL	—	—	58	171	332	454	606	809
NETWORK	—	—	30	85	181	256	320	422
SPOT	—	—	9	31	70	94	145	207
LOCAL	—	—	19	55	81	104	141	180
RADIO								
TOTAL	506	562	571	605	606	624	611	559
NETWORK	201	211	203	196	180	162	141	114
SPOT	106	121	123	136	138	141	146	135
LOCAL	199	230	245	273	288	321	324	310
DIRECT MAIL	579	689	756	803	924	1,024	1,099	1,202
BUSINESS PAPERS	233	251	248	251	292	365	395	408
OUTDOOR								
TOTAL	121	132	131	142	149	162	176	187
NATIONAL	79	89	88	96	101	109	119	126
LOCAL	42	43	43	46	48	53	57	61
MISCELLANEOUS								
TOTAL	837	958	1,022	1,122	1,267	1,402	1,523	1,600
NATIONAL	466	522	557	608	696	767	846	899
LOCAL	371	436	465	514	571	635	677	701
TOTAL								
NATIONAL	2,500	2,795	2,990	3,260	3,710	4,100	4,515	4,820
LOCAL	1,760	2,075	2,220	2,440	2,710	3,040	3,225	3,330
GRAND TOTAL	4,260	4,870	5,210	5,700	6,420	7,140	7,740	8,150

Source: Robert J. Coen, McCann-Erickson, Inc. 1991.

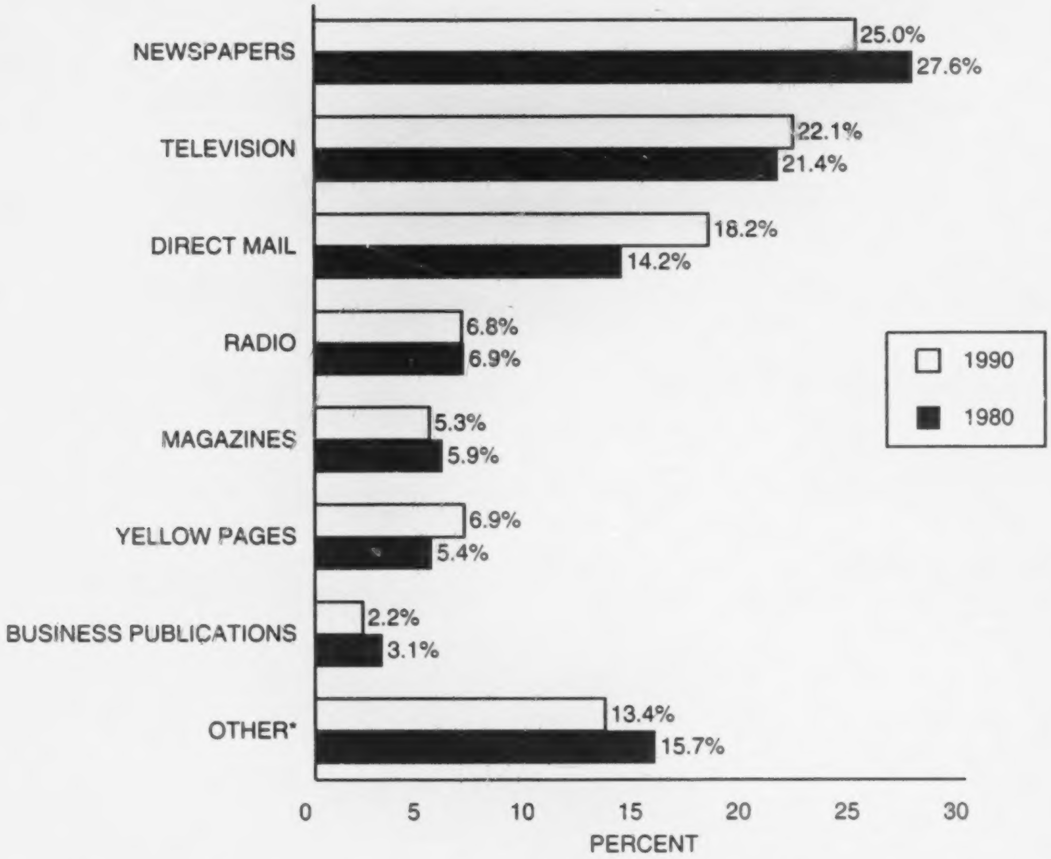
ESTIMATED ANNUAL U.S. ADVERTISING EXPENDITURES 1939—1946
(IN MILLIONS OF DOLLARS)

	1939	1940	1941	1942	1943	1944	1945	1946
NEWSPAPERS								
TOTAL	793	815	844	797	899	886	919	1,155
NATIONAL	152	161	162	141	180	191	203	238
LOCAL	641	654	682	656	719	695	716	917
MAGAZINES	169	186	201	259	—	305	344	405
FARM PUBLICATIONS	17	19	19	18	25	29	32	36
TELEVISION								
TOTAL	—	—	—	—	—	—	—	—
NETWORK	—	—	—	—	—	—	—	—
SPOT	—	—	—	—	—	—	—	—
LOCAL	—	—	—	—	—	—	—	—
RADIO								
TOTAL	184	215	247	260	314	393	424	455
NETWORK	99	113	125	129	157	192	198	200
SPOT	35	42	52	59	71	87	92	98
LOCAL	50	60	70	72	86	114	134	157
DIRECT MAIL	333	334	353	329	322	326	290	334
BUSINESS PAPERS	69	76	89	98	142	177	204	211
OUTDOOR								
TOTAL	44	45	53	44	42	56	72	86
NATIONAL	33	34	37	31	29	39	50	60
LOCAL	11	11	16	13	13	17	22	26
MISCELLANEOUS								
TOTAL	401	420	444	427	487	528	555	658
NATIONAL	213	225	242	228	270	309	327	368
LOCAL	188	195	202	199	217	219	228	290
TOTAL								
NATIONAL	1,120	1,190	1,280	1,220	1,455	1,655	1,740	1,950
LOCAL	890	920	970	940	1,035	1,045	1,100	1,390
GRAND TOTAL	2,010	2,110	2,250	2,160	2,490	2,700	2,840	3,340

Source: Robert J. Coen, McCann-Erickson, Inc. 1991.

PERCENTAGE OF ALL ADVERTISING SPENDING GOING TO EACH MEDIA: 1990 VS 1980

Direct mail is still the third largest media.



*Includes farm publications, outdoor advertising, and miscellaneous media.

Source: McCann-Erickson, 1991.

TOTAL POPULATION ORDERING VIA MAIL OR TELEPHONE 1990 VS. 1989

The Study of Media and Markets is a syndicated study based on a stratified multistage area probability sample of 19,373 adults in 1989 and 19,874 in 1990, interviewed between the months of July and June. The product usage and buying behavior data was gathered through self-administered questionnaires and personal interviews. The results were then projected to reflect the entire U.S. population. The statistics below represent consumers "yes" or "no" response to the *general* question: Have you yourself ordered any merchandise or services by *mail* or *phone* in the LAST 12 MONTHS from offers in magazines, newspapers, television, radio, catalogs or direct mail pieces?

	1989 Total U.S. (000)	1989 Total U.S. Buyers (000)	% Any Product	1990 Total U.S. (000)	1990 Total U.S. Buyers (000)	% Any Product	% Change from 1989 to 1990 Total Buyers	Total Increase in Mail or Telephone Buyers 1989–1990 (000)
Total Adults	178,193	91,666	51.4	181,131	98,624	54.4	+7.6%	(+6,958)
Males	85,056	38,876	45.7	86,476	41,582	48.1	+7.0%	(+2,706)
Females	93,136	52,790	56.7	94,655	57,043	60.3	+8.1%	(+4,253)
18—24	25,713	11,615	45.2	25,507	11,842	46.4	+2.0%	(+227)
25—34	43,283	22,428	51.8	43,858	25,155	57.4	+12.2%	(+2,727)
35—44	34,804	20,273	58.2	36,206	21,957	60.6	+8.3%	(+1,684)
45—54	23,902	13,246	55.4	24,795	14,180	57.2	+7.1%	(+934)
55—64	21,733	11,367	52.3	21,496	11,671	54.3	+2.7%	(+304)
65 or Older	28,756	12,737	44.3	29,268	13,820	47.2	+8.5%	(+1,083)
Graduated College	32,799	20,313	61.9	34,578	22,770	65.9	+12.1%	(+2,457)
Attended College	32,672	19,138	58.6	33,812	20,551	60.8	+7.4%	(+1,413)
Graduated High School	70,684	36,336	51.4	71,180	39,265	55.2	+8.1%	(+2,929)
Did Not Graduate High School	42,039	15,879	37.8	41,560	16,039	38.6	+1.0%	(+160)
Professional/Manager	29,483	18,639	63.2	31,879	21,499	67.4	+15.3%	(+2,860)
Tech/Clerical/Sales	36,012	20,810	57.8	37,678	22,934	60.9	+10.2%	(+2,124)
Precision/Craft	14,266	7,019	49.2	14,826	7,108	47.9	+1.3%	(+89)
Other Employed	30,939	14,248	46.1	35,775	17,815	49.8	+25.0%	(+3,567)
Single	38,354	17,099	44.6	39,788	19,012	47.8	+11.2%	(+1,913)
Married	107,815	59,389	55.1	108,473	64,139	59.1	+8.0%	(+4,750)
Divorced/Separated/Widowed	32,024	15,178	47.4	32,870	15,473	47.1	+2.0%	(+295)
Parents	59,509	33,327	56.0	60,843	35,925	59.0	+7.8%	(+2,598)
Northeast—Census	37,709	17,309	45.9	38,551	21,260	55.1	+22.8%	(+3,951)
Midwest	43,858	26,572	60.6	44,079	27,410	62.2	+3.2%	(+838)
South	61,120	30,857	50.5	62,458	32,138	51.5	+4.2%	(+1,281)
West	35,505	16,928	47.7	36,042	17,816	49.4	+5.2%	(+888)
Household Income								
$60,000 or More	19,957	12,242	61.3	31,937	20,858	65.3	+70.4%	(+8,616)
$50,000 or More	31,697	19,403	61.2	47,508	30,721	64.7	+58.3%	(+11,318)
$40,000 or More	53,998	32,925	61.0	68,804	43,567	63.3	+32.3%	(+10,642)
$30,000 or More	83,793	50,168	59.9	96,864	60,191	62.1	+20.0%	(+10,023)
$30,000—$39,999	29,795	17,243	57.9	28,060	16,624	59.2	-3.6%	(-619)
$20,000—$29,999	34,040	17,411	51.1	30,796	16,636	54.0	-4.5%	(-775)
$10,000—$19,999	38,419	16,081	41.9	32,038	14,782	46.1	-8.1%	(-1,299)
Under $10,000	21,942	8,007	36.5	21,433	7,016	32.7	-12.4%	(-991)
Household Size								
1 Person	22,006	9,492	43.1	23,081	10,305	44.6	+8.6%	(+813)
2 People	57,453	29,731	51.7	59,128	32,294	54.6	+8.6%	(+2,563)
3 or 4 People	71,838	38,936	54.2	73,074	41,270	56.5	+6.0%	(+2,334)
5 or More People	26,896	13,507	50.2	25,847	14,755	57.1	+9.2%	(+1,248)
Children								
No Child in Household	106,426	52,708	49.5	108,398	56,849	52.4	+7.9%	(+4,141)
Children Under 2 Years	14,122	7,359	52.1	15,433	8,584	55.6	+16.6%	(+1,225)
2—5 Years	26,410	14,447	54.7	25,280	14,838	58.7	+2.7%	(+391)
6—11 Years	33,185	17,535	52.8	33,718	19,743	58.6	+12.6%	(+2,208)
12—17 Years	33,008	18,198	55.1	32,401	18,557	57.3	+2.0%	(+359)
Residence Owned	122,907	66,723	55.9	124,240	73,671	59.3	+7.2%	(+4,948)
Value: $70,000 or More	60,160	35,228	58.6	66,423	41,465	62.4	+17.7%	(+6,237)
Less than $70,000	62,747	33,495	53.4	57,817	32,205	55.7	-3.8%	(-1,290)

Source: Simmons Market Research Bureau: 1989 and 1990 Study of Media and Markets.

FORTUNE 500 COMPANIES USING DIRECT MARKETING

The following listing includes those companies in the Fortune 500 that DMA has identified as using direct marketing techniques as part of their media mix.

	Fortune 500 Rank 1990	Fortune 500 Rank 1989	Company Name	Sales+	
				$ Millions	% Change from 1989
1	1	1	General Motors	126,017	(0.8)
2	2	3	Exxon	105,885	22.2
3	3	2	Ford Motor	98,275	1.4
4	4	4	International Business Machines	69,018	8.8
5	5	6	Mobil	58,770	15.3
6	6	5	General Electric	58,414	5.7
7	7	7	Philip Morris	44,323	13.4
8	8	10	Texaco	41,235	27.2
9	9	9	E. I. Du Pont De Nemours	39,839	13.2
10	10	11	Chevron	39,262	33.3
11	11	8	Chrysler	30,868	(14.6)
12	12	12	AMOCO	28,277	16.8
13	14	13	Shell Oil	24,423	12.5
14	15	14	Procter & Gamble	24,376	12.4
15	18	20	Dow Chemical	20,005	12.8
16	19	19	USX	19,462	9.6
17	20	18	Eastman Kodak	19,075	2.9
18	22	21	Xerox	18,382	4.2
19	23	23	Pepsico	17,802	15.5
20	24	25	McDonnell Douglas Systems	16,351	9.0
21	28	24	RJR Nabisco Holdings	13,879	(8.8)
22	29	33	Hewlett-Packard	13,233	11.2
23	30	27	Digital Equipment	13,084	1.7
24	31	32	Minnesota Mining & Manufacturing	13,021	8.6
25	32	35	International Paper	12,960	13.9
26	33	28	Westinghouse Electric	12,915	0.6
27	34	41	Georgia-Pacific	12,665	24.5
28	35	29	Rockwell International	12,442	(1.5)
29	36	31	Allied Signal	12,396	3.1
30	38	34	Sara Lee	11,652	(0.7)
31	41	47	Johnson & Johnson	11,232	14.1
32	42	48	Motorola	10,885	13.1
33	44	49	Anheuser-Busch	10,750	13.4
34	45	40	Unocal	10,740	3.1
35	46	50	Bristol-Myers Squibb	10,509	11.5
36	47	51	Coca-Cola	10,406	13.5
37	49	43	Unisys	10,111	0.1
38	50	45	Lockheed	9,977	0.5
39	53	54	Monsanto	9,047	4.2
40	54	51	Weyerhaeuser	9,024	(10.7)
41	55	56	Unilever U.S.	8,680	7.0
42	58	62	TRW	8,169	10.3
43	62	66	Deere	7,881	9.1
44	63	70	Merck	7,824	16.8
45	65	53	Union Carbide	7,621	(12.8)
46	67	69	Ralston Purina	7,133	6.3
47	69	65	Honeywell	6,985	(3.5)
48	71	73	W. R. Grace	6,774	7.0
49	72	74	Whirlpool	6,647	5.2
50	74	71	Texas Instruments	6,567	(0.4)

(continued)

FORTUNE 500 COMPANIES USING DIRECT MARKETING
(CONTINUED FROM PAGE 20)

	Fortune 500 Rank 1990	Fortune 500 Rank 1989	Company Name	Sales+ $ Millions	Sales+ % Change from 1989
51	77	85	General Mills	6,486	11.9
52	78	86	Kimberly-Clark	6,447	11.6
53	79	78	NCR	6,395	7.4
54	80	88	Campbell Soup	6,223	9.0
55	82	90	Abbott Laboratories	6,210	13.9
56	85	75	North American Philips	6,119	(1.3)
57	86	83	PPG Industries	6,118	5.0
58	90	77	Hoechst Celanese	5,881	(2.2)
59	91	102	CPC International	5,800	13.1
60	93	87	Quaker Oats	5,744	0.3
61	94	103	Colgate-Palmolive	5,740	12.3
62	95	96	Apple Computer	5,558	5.2
63	96	98	Northrop	5,502	5.8
64	97	81	James River Corp. of Virginia	5,422	(8.1)
65	98	104	Scott Paper	5,390	6.4
66	100	100	Litton Industries	5,273	2.8
67	104	97	Champion International	5,159	(1.8)
68	106	95	Bethlehem Steel	4,929	(7.1)
69	107	141	Black & Decker	4,876	51.4
70	108	106	American Cyanamid	4,821	(0.1)
71	109	110	Mead	4,796	3.2
72	110	114	Warner-Lambert	4,769	11.6
73	111	119	Dresser Industries	4,528	12.6
74	113	124	Gillette	4,394	14.1
75	116	128	Levi Strauss Associates	4,247	17.1
76	118	112	Boise Cascade	4,189	(3.4)
77	119	137	Intel	4,124	25.7
78	123	121	Coca-Cola Enterprises	4,040	3.9
79	126	113	Navistar International	3,854	(10.3)
80	131	133	FMC	3,754	8.5
81	135	131	Times Mirror	3,633	3.3
82	136	157	Compaq Computer	3,625	26.1
83	137	140	Agway	3,607	11.5
84	138	135	Avon Products	3,508	3.3
85	139	143	R. R. Donnelley & Sons	3,497	11.8
86	141	130	Gannett	3,445	(2.2)
87	142	149	J. E. Seagram	3,411	13.5
88	145	152	Pitney Bowes	3,267	10.4
89	146	142	Masco	3,234	2.7
90	147	145	Hercules	3,219	3.1
91	148	149	Owens-Corning Fiberglas	3,111	3.7
92	149	180	Harris	3,098	25.1
93	152	160	AMP	3,043	7.9
94	153	156	Upjohn	3,032	1.1
95	154	181	Corning	2,980	20.7
96	159	161	Union Camp	2,839	2.8
97	160	167	Rohm & Haas	2,824	6.1
98	161	136	Paccar	2,817	(16.5)
99	162	155	Universal	2,815	(3.6)
100	164	185	Hershey Foods	2,717	12.2

(continued)

FORTUNE 500 COMPANIES USING DIRECT MARKETING
(CONTINUED FROM PAGE 21)

	Fortune 500 Rank 1990	Fortune 500 Rank 1989	Company Name	Sales+	
				$ Millions	% Change from 1989
101	167	190	Geo. A. Hormel	2,681	14.6
102	169	147	Wang Laboratories	2,634	(14.4)
103	174	175	Olin	2,614	3.3
104	178	162	Ethyl	2,513	(8.8)
105	181	232	Sun Microsystems	2,480	40.2
106	183	160	Brunswick	2,477	(12.3)
107	184	176	B. F. Goodrich	2,458	(2.5)
108	185	193	Westvaco	2,435	6.5
109	188	183	Land O'Lakes	2,414	(1.1)
110	190	163	Pennzoil	2,366	(13.9)
111	192	182	Tribune	2,353	(4.1)
112	194	188	Knight-Ridder	2,305	(1.6)
113	195	199	Burlington Holdings	2,290	4.2
114	196	203	Sherwin-Williams	2,281	7.1
115	202	201	Amdahl	2,220	3.1
116	206	198	USG	2,102	(4.5)
117	209	225	Reader's Digest Association	2,055	9.9
118	213	218	Polaroid	2,006	3.3
119	218	230	McGraw-Hill	1,938	8.4
120	220	246	Tandem Computers	1,882	14.5
121	225	231	Adolph Coors	1,867	5.5
122	226	228	Mid-America Dairymen	1,862	3.6
123	230	262	Harnischfeger Industries	1,803	21.6
124	234	227	New York Times	1,776	(1.7)
125	239	153	Control Data	1,730	(41.4)
126	240	235	Dow Jones	1,727	0.7
127	241	254	Dow Corning	1,718	9.1
128	243	216	Cabot	1,684	(13.3)
129	244	187	National Semiconductor	1,675	(30.2)
130	254	264	Lorillard	1,605	8.8
131	255	239	Masco Industries	1,602	(5.0)
132	259	285	Rubbermaid	1,539	14.1
133	260	277	Hasbro	1,520	7.8
134	262	265	Clorox	1,501	2.1
135	263	297	Nucor	1,482	16.9
136	265	303	Mattel	1,470	18.9
137	271	269	Washington Post	1,438	(0.4)
138	273	293	Deluxe	1,422	7.7
139	274	237	Harcourt Brace Jovanovich	1,414	(16.9)
140	275	169	Zenith Electronics	1,414	(45.8)
141	276	271	Tektronix	1,412	(1.8)
142	280	306	Bausch & Lomb	1,386	12.6
143	281	268	Bowater	1,383	(4.6)
144	287	300	Duracell Holdings	1,336	6.6
145	288	299	McCormick	1,335	5.8
146	289	287	Varian Associates	1,333	(0.8)
147	293	294	Hartmarx	1,310	(0.1)
148	294	296	American Greetings	1,309	2.6
149	302	290	Data General	1,223	(7.6)
150	317	326	Raychem	1,135	2.9

(continued)

FORTUNE 500 COMPANIES USING DIRECT MARKETING
(CONTINUED FROM PAGE 22)

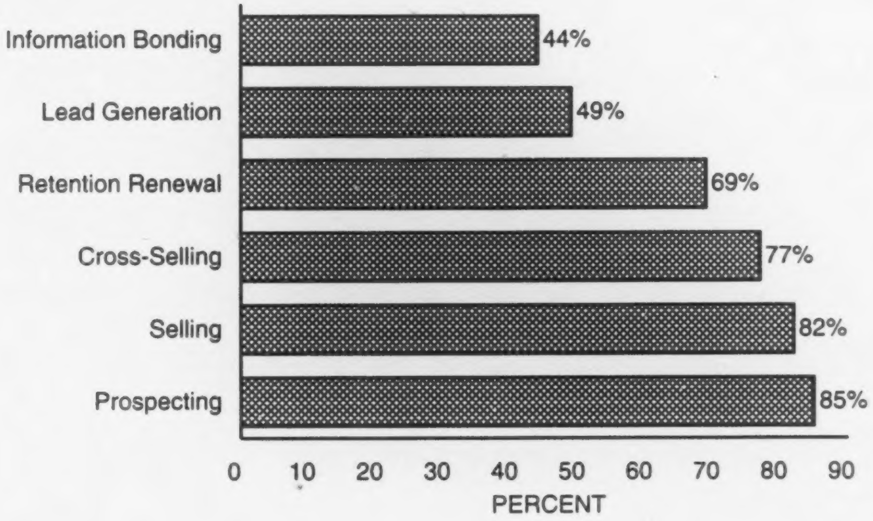
	Fortune 500 Rank 1990	Fortune 500 Rank 1989	Company Name	Sales+ $ Millions	% Change from 1989
151	318	393	Bemis	1,130	5.0
152	326	334	Vulcan Materials	1,105	2.7
153	336	349	Western Digital	1,070	7.7
154	339	365	Intergraph	1,053	20.6
155	342	343	Brown-Forman	1,023	1.2
156	343	376	IMO Industries	1,022	19.7
157	348	339	A. O. Smith	983	(4.0)
158	349	353	Consolidated Papers	966	(0.4)
159	357	360	Philips Industries	931	(1.4)
160	360	319	Doskocil	919	(20.0)
161	365	*	Allergan	891	9.0
162	374	385	Herman Miller	869	8.8
163	375	381	Harley-Davidson	864	4.0
164	376	390	Leslie Fay	858	9.2
165	377	395	Smithfield Foods	853	10.1
166	379	394	Perkin-Elmer	846	(23.4)
167	383	405	Medtronic	841	12.7
168	390	*	Beckman Instruments	823	3.7
169	399	424	Jostens	787	13.1
170	404	423	UST	755	12.8
171	408	387	Meredith	736	(7.1)
172	409	449	Helene Curtis Industries	736	17.0
173	410	425	Commerce Clearing House	734	6.2
174	411	444	Phillips-Van Heusen	734	14.4
175	419	418	Standard Register	716	1.1
176	422	439	Millipore	709	7.3
177	430	422	Longview Fibre	686	(2.2)
178	431	443	Lukens	685	6.3
179	434	483	Stanhome	675	17.1
180	440	481	Prairie Farms Dairy	659	14.1
181	443	413	Texas Industries	656	(8.4)
182	452	474	Banta	629	6.9
183	453	490	NCH	628	11.1
184	456	454	Bell & Howell	621	(0.3)
185	461	432	Lone Star Technologies	611	(9.3)
186	470	466	Reynolds & Reynolds	599	(0.9)
187	475	*	Kennametal	590	25.0
188	476	*	Nashua	589	(37.7)
189	477	446	Warnaco Group	589	(7.4)
190	486	*	Loctite	567	21.6

* denotes that corporation did not have a Fortune 500 ranking in 1989
+ represents total sales for corporation; not necessarily mail order only
Source: DMA Marketing Department/*Fortune* Magazine, 1991

The Direct Marketing Group's 1990 Direct Marketing Survey was conducted in late 1990 among 2,000 U.S. companies known to be using direct marketing methods as part of their advertising media mix. Among the industries represented were automotive, communications, financial services, non-profit, mail order, office equipment and supplies, publishing, retailing, and travel. A 10% response was achieved. Although the Direct Marketing Group does not claim statistical validity for the results, they believe that they accurately reflect client attitudes to current direct marketing issues, and provide a useful picture of at least a part of the direct marketing industry in 1990.

WHAT DIRECT MARKETING IS USED FOR

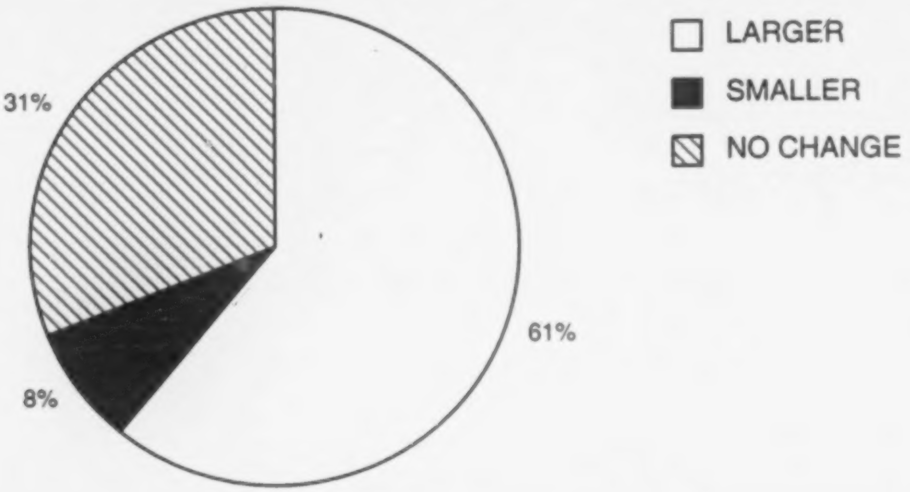
Do you use direct marketing in your company for any of the following activities?



Source: The Direct Marketing Group, 1990.

DIRECT MARKETING BUDGET OUTLOOK: 1991

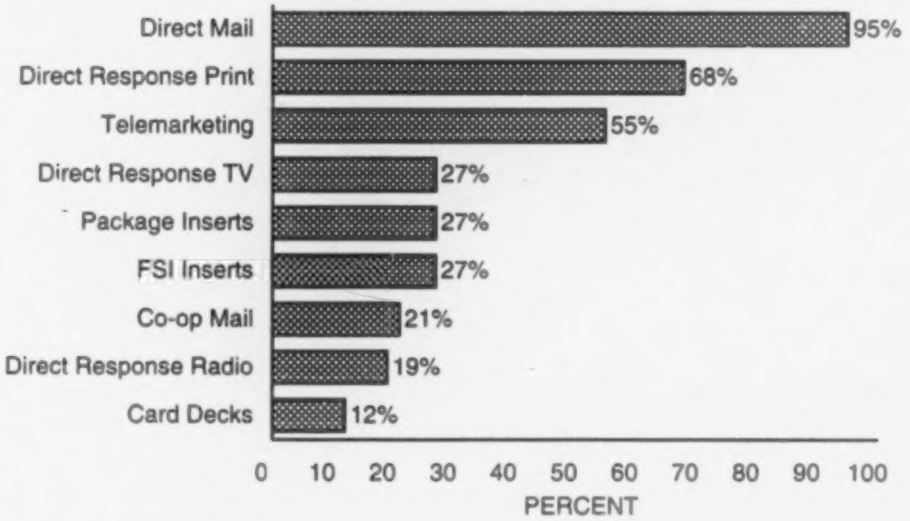
As a share of your company's overall marketing budget, do you see direct marketing in 1991 becoming larger or smaller, or remaining the same?



Source: The Direct Marketing Group, 1990.

MEDIA UTILIZED BY DIRECT MARKETING COMPANIES

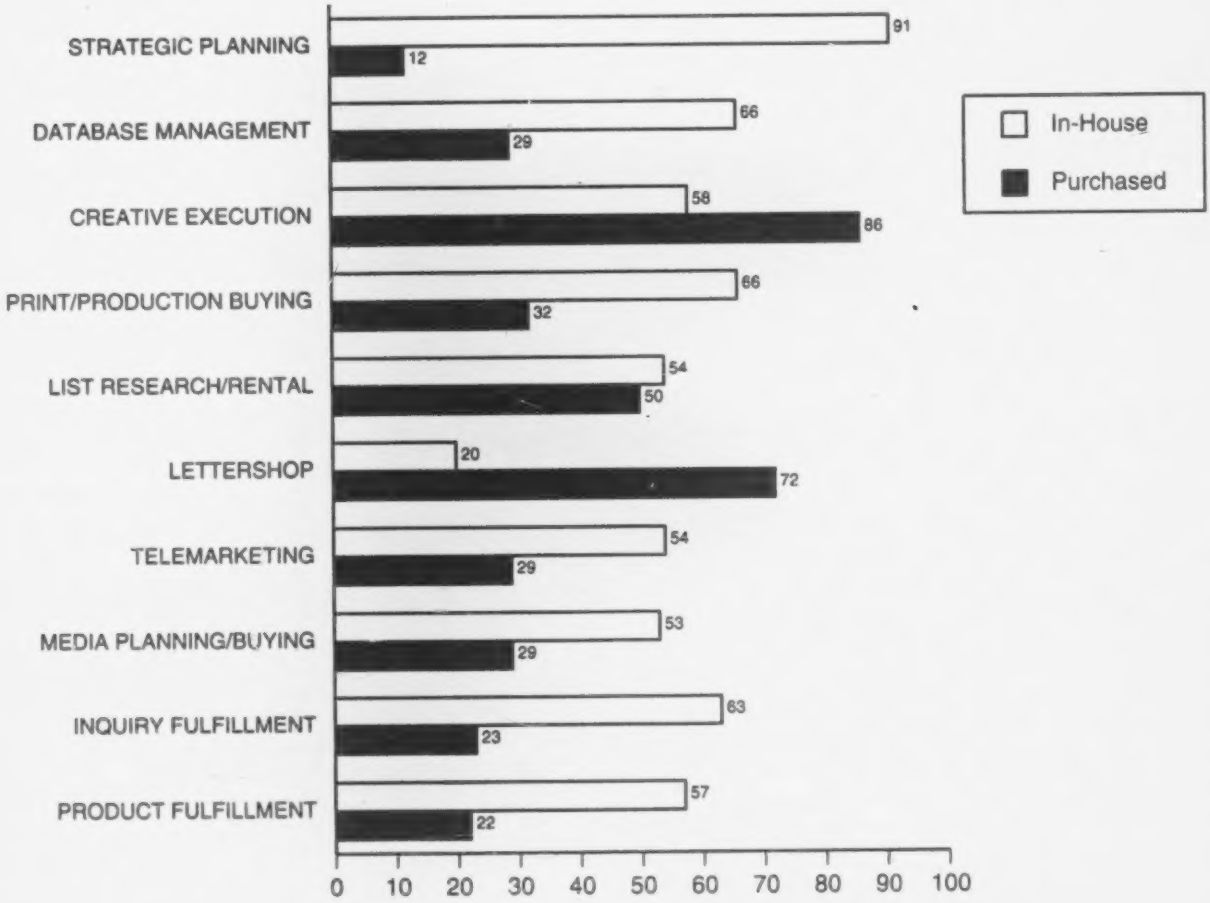
Which of the following media do you use?



Source: The Direct Marketing Group, 1990.

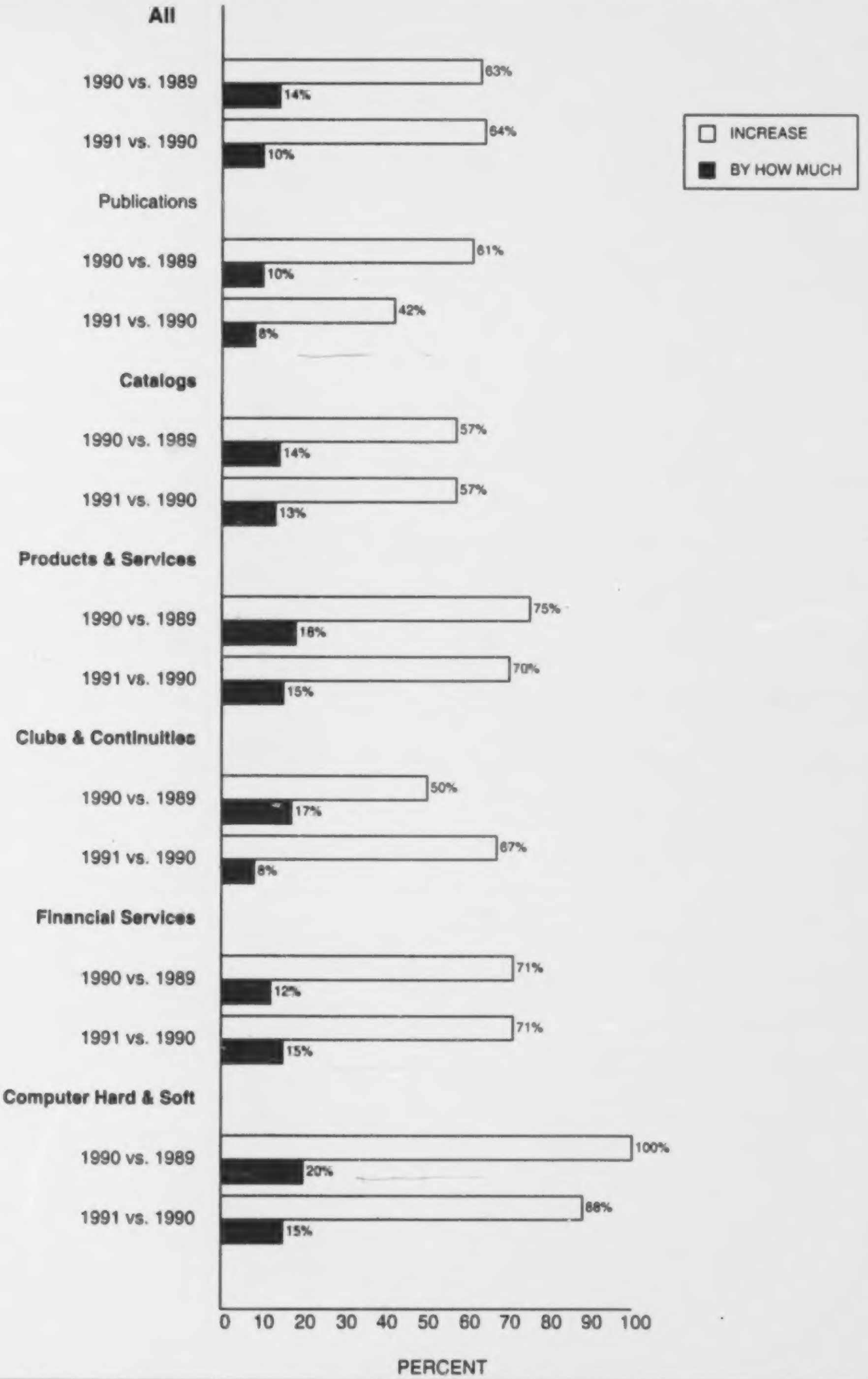
DIRECT MARKETING ACTIVITIES CARRIED OUT IN-HOUSE VS. PURCHASED

Which of the following direct marketing activities does your company carry out in-house, and for which does your company use external suppliers?



Source: The Direct Marketing Group, 1990.

DIRECT MARKETERS' NEW CUSTOMER EXPECTATIONS: 1990 VS 1989 & 1991 VS 1990

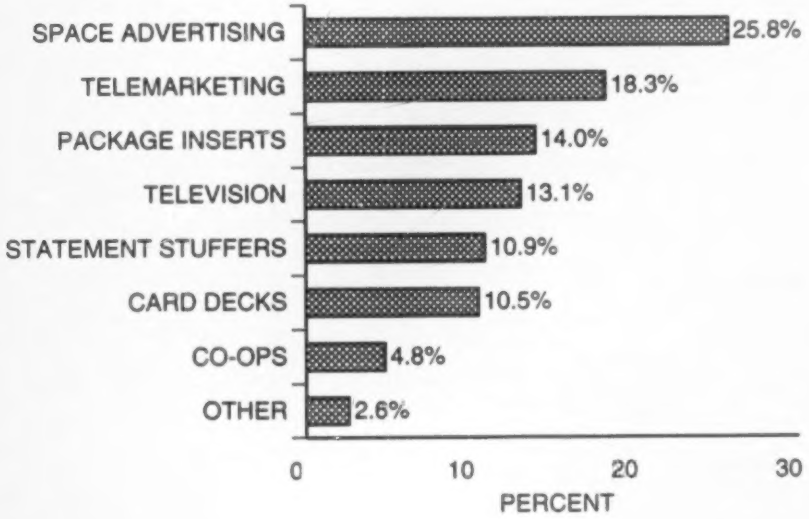


Source: Marketing Practices & Performance Survey, DMA, 1990.

The Kleid Company conducted "1991 — How Does It Look for Direct Marketers?" among 700 direct marketing executives via mail survey. The survey achieved a 13.4% response rate.

MEDIA UTILIZED BY DIRECT MARKETERS IN ADDITION TO DIRECT MAIL

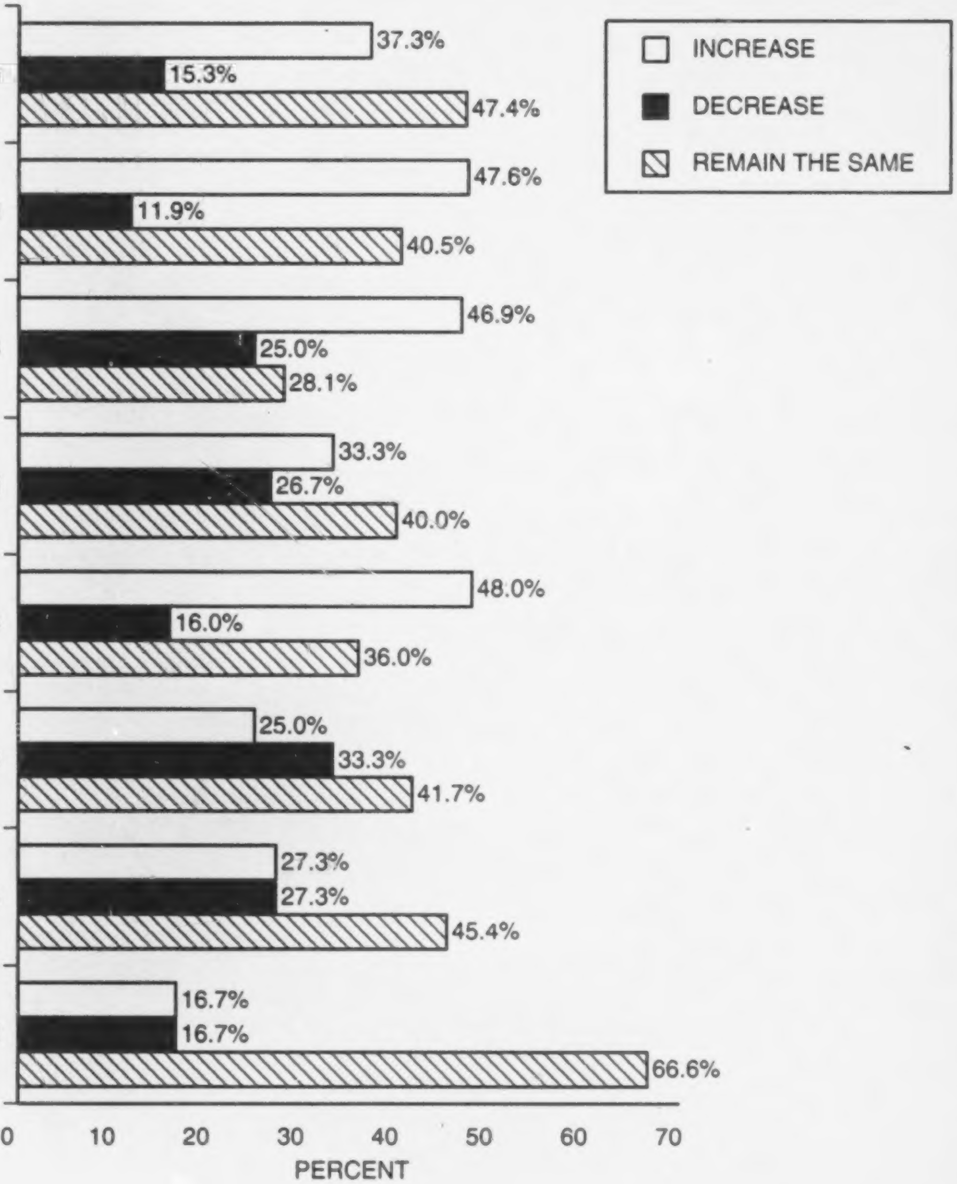
As postal rates continue to rise, direct marketers' use of alternate media has also been increasing. 86.2% of the respondents in this survey reported utilizing one or more of the following media:



Source: The Kleid Company, Inc., 1991.

DIRECT MARKETING MEDIA: 1991 OUTLOOK

Respondents Indicated whether usage of each of the following media will increase, decrease or remain the same for 1991.



Source: The Kleid Company, Inc., 1991.

RETAILER ADVERTISING VEHICLES

SUPERMARKETS $4 MILLION AND OVER—TOTAL U.S. AND BY GEOGRAPHIC REGION

Direct mail has become a significant advertising vehicle for retailers, which reflects supermarkets' increased knowledge of customer demographics, enabling them to target direct mail pieces more accurately.

All commodity volume basis— end of February 1990 Percent of retailers using:	Total U.S.	Eastern	Central	Southern	Pacific
Local newspaper ads	**97%**	98%	96%	98%	96%
Local television ads	**74**	74	70	75	81
Local radio ads	**71**	68	71	69	78
Direct home mail	**33**	34	40	28	28
Ads in neighborhood newsletters	**24**	21	23	28	24
Local home mail coupon service	**13**	8	16	10	17
Hand delivered fliers	**12**	14	16	7	11
In-store fliers	**77**	84	77	84	60
In-store promotion wall	**57**	41	74	61	44
In-store audio advertising	**52**	63	41	49	59
In-store video advertising	**14**	15	18	9	14

Source: Nielsen Marketing Research, 1990.

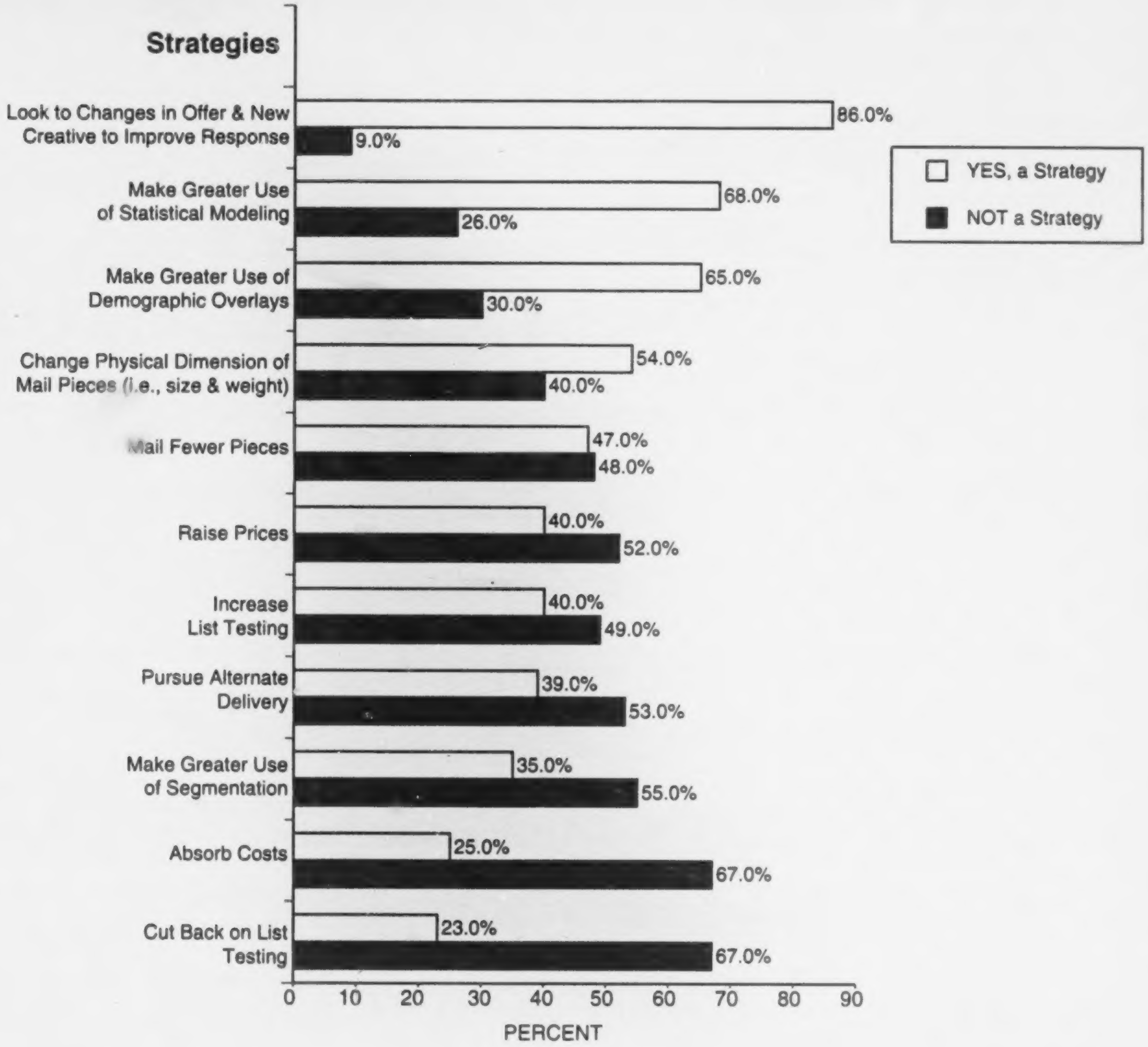
WHETHER CONCERN FOR THE USE OF CONSUMER INFORMATION IS GENUINE OR BLOWN OUT OF PROPORTION: LEADERS

Executives in privacy-intensive industries (i.e., insurance, credit, banks and thrifts, direct marketing, human resources, and consumer affairs) were asked the following question: "Do you feel that consumers are genuinely concerned about (read each item)? Is this a matter that you feel is being blown out of proportion by the media or privacy advocates?

	Leaders Privacy–Intensive Industries					Corporate Spokesperson
	Insurance **%**	**Credit Grantors** **%**	**Banks and Thrifts** **%**	**Direct Marketers** **%**	**Human Resources** **%**	**Consumer Affairs** **%**
Base	**152**	**150**	**157**	**150**	**203**	**104**
Compiling lists of consumer characteristics for use in direct marketing						
Genuinely concerned	51	39	48	35	50	57
Blown out of proportion	47	59	50	59	46	38
Not sure	1	3	2	6	4	5
Using information from credit bureau files for direct marketing purposes						
Genuinely concerned	67	51	58	54	60	65
Blown out of proportion	32	47	38	41	36	25
Not sure	1	2	4	5	4	10

Source: Equifax, Inc., The Equifax Report on Consumers in the Information Age, 1990.

DIRECT MARKETING STRATEGIES TO IMPROVE RESULTS AND OFFSET INCREASED POSTAGE RATES IN 1991



Source: Marketing Practices & Performance Survey, DMA, 1990.

GROWTH OF ADVERTISING SPENDING, 1986—1995

Year	Direct Mail	Yellow Pages	Weekly Newspapers	Outdoor	Other*	Total
1986	10.6%	12.1%	6.6%	4.2%	5.5%	8.9%
1987	11.5	12.3	0.8	4.1	5.8	9.1
1988	10.5	6.6	11.6	3.8	7.3	8.8
1989	3.9	6.7	7.4	4.4	4.6	4.8
1990	7.5	6.6	2.1	4.0	6.3	6.6
1991	4.3	5.1	2.7	3.0	3.9	4.2
1992	6.1	6.5	5.1	3.4	5.0	5.8
1993	7.3	8.1	6.4	4.1	6.5	7.1
1994	11.4	9.3	10.0	4.7	8.0	9.9
1995	9.6	8.5	8.0	4.5	6.5	8.4
Compound Annual Growth						
1985–90	8.8	8.8	5.6	4.1	5.9	7.6
1990–95	7.7	7.5	6.4	3.9	6.0	7.1

*Includes farm publications, transit poster displays, matchbooks, and other formats

Source: Veronis, Suhler & Associates, Wilkofsky Gruen Associates, 1991.

SHARE OF ADVERTISING SPENDING, 1985—1995

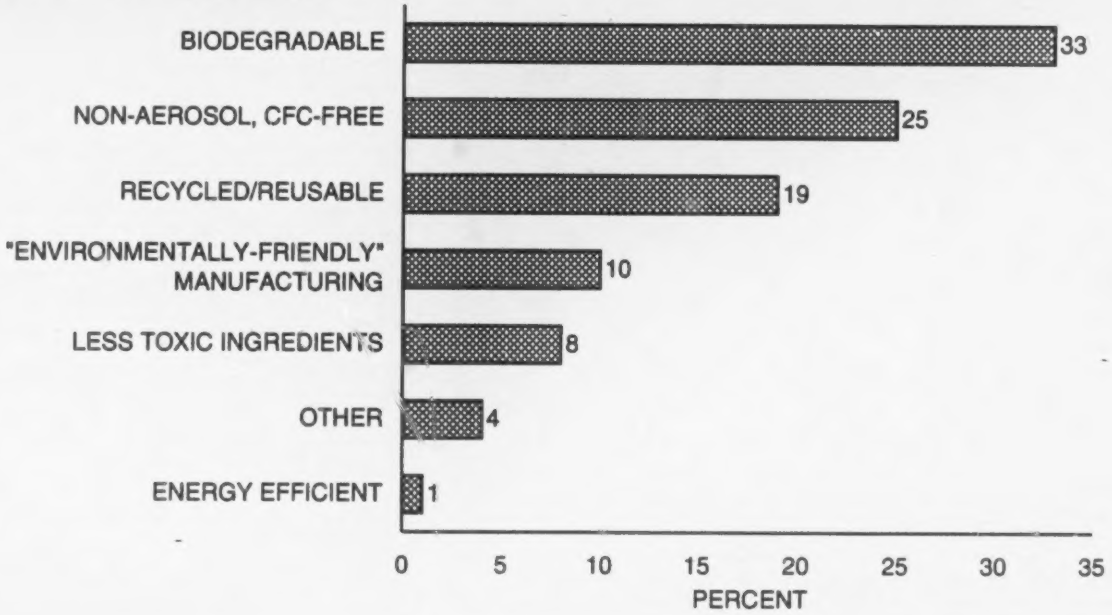
Year	Direct Mail	Yellow Pages	Weekly Newspapers	Outdoor	Other*
1985	44.9%	16.8%	6.5%	2.7%	29.1
1986	45.6	17.3	6.4	2.6	28.1
1987	46.5	17.8	5.9	2.5	27.3
1988	47.3	17.4	6.0	2.4	26.9
1989	46.8	17.7	6.2	2.4	26.9
1990	47.3	17.7	5.9	2.3	26.8
1991	47.3	17.9	5.8	2.3	26.7
1992	47.4	18.0	5.8	2.3	26.5
1993	47.5	18.1	5.8	2.2	26.4
1994	48.2	18.0	5.8	2.1	25.9
1995	48.7	18.1	5.7	2.0	25.5

*Includes farm publications, transit poster displays, matchbooks, and other formats

Source: Veronis, Suhler & Associates, Wilkofsky Gruen Associates, 1991.

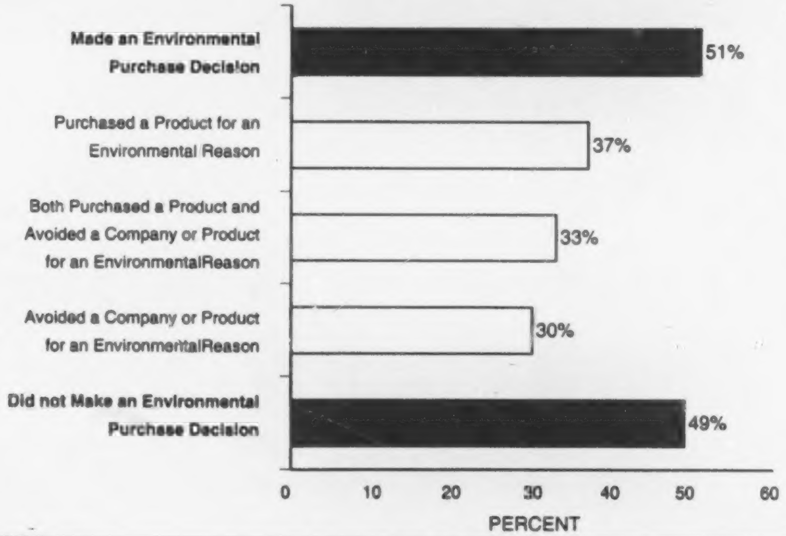
Abt Associates conducted "Environmental Consumerism: Harbinger or Hoax" to determine actual consumer purchase behavior regarding the environment. The survey was conducted among a nationwide sample of 800 adults 18 and over via telephone in August and September, 1990.

CONSUMER PURCHASES OF "ENVIRONMENTALLY-FRIENDLY" PRODUCTS BY REASON FOR PURCHASE



Source: Abt Associates, Inc., 1990.

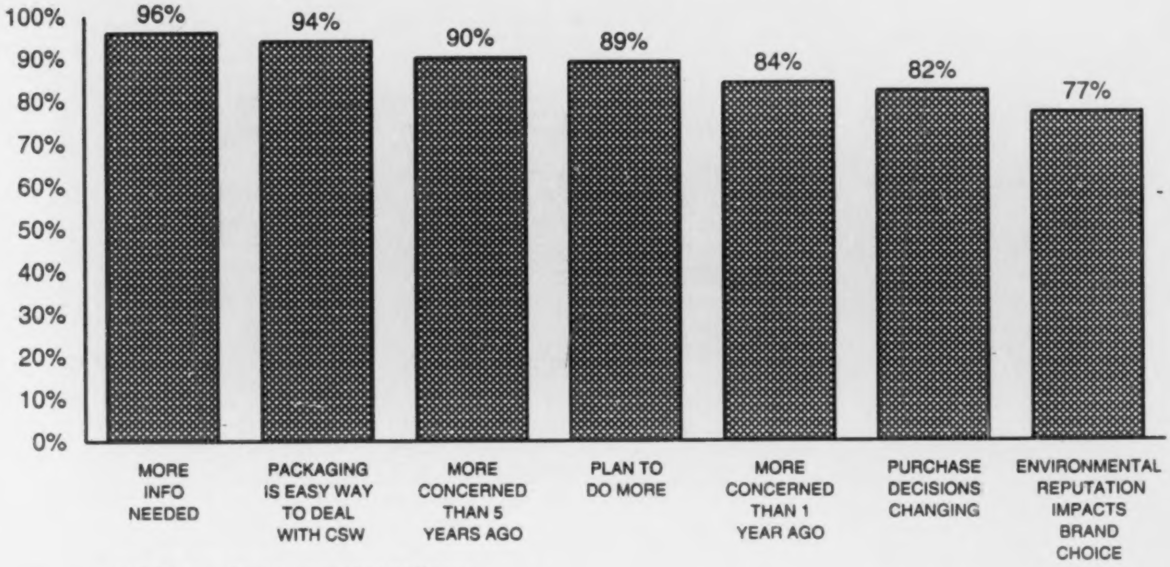
CONSUMER "ENVIRONMENTALLY-FRIENDLY" PURCHASE DECISIONS



Source: Abt Associates, Inc., 1990.

The Second Annual Nationwide Environmental Survey was conducted in late 1990 by Gerstman + Myers, a design consulting firm based in New York. A total of 313 in-person interviews were completed nationwide with female heads of households aged 21–54 who are responsible for the household grocery shopping. This survey indicated that many more consumers are making purchasing decisions based on environmental concerns and on a company's environmental reputation than last year.

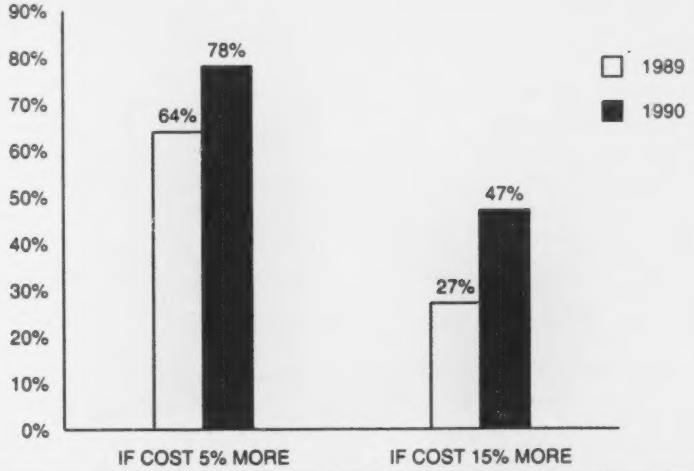
CONSUMER ATTITUDES REGARDING THE ENVIRONMENT



* CSW — Consumer Solid Waste

Source: Gerstman & Meyers, 1990.

CONSUMERS WHO WOULD SWITCH TO ENVIRONMENTAL CONTAINER EVEN IF PRICE WERE HIGHER



Source: Gerstman & Meyers, 1990.

MEDIA

- DIRECT MAIL
- CATALOG
- TELEPHONE
- PRINT/PROMOTION
- TELEVISION

- # DIRECT MAIL

CONSUMER ATTITUDES

BUYING HABITS

COSTS

TRENDS

ENVIRONMENTAL CONCERNS

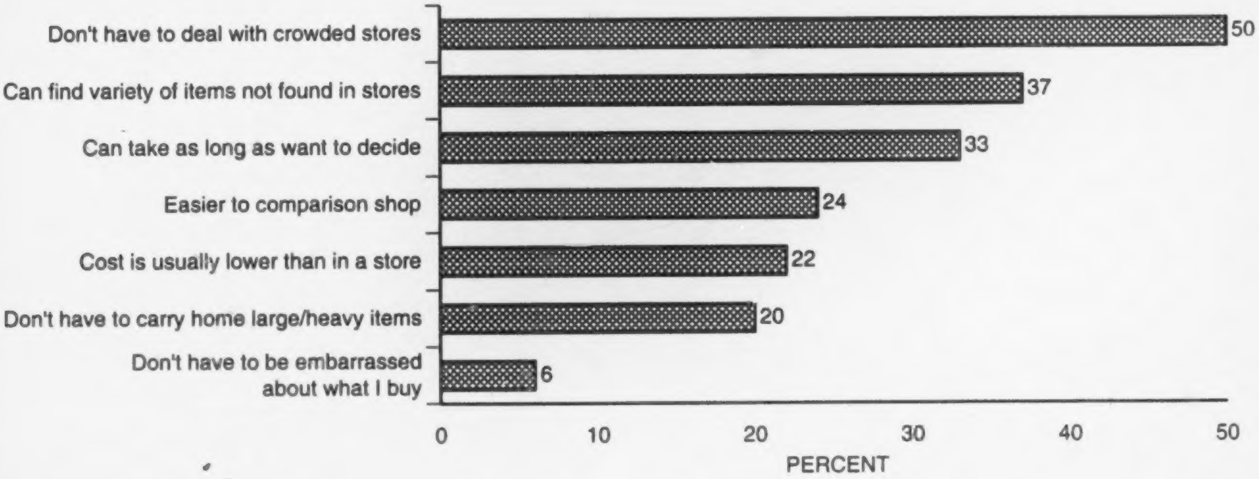
USEFULNESS OF THIRD-CLASS REGULAR MAIL PIECE BY SHAPE
AS PERCENTAGE OF TOTAL MAIL RECEIVED BY HOUSEHOLDS

	Letter-Size Envelope	Larger Than Letter Envelope	Detached Label Card	Post-Card	Catalog Not In Envelope	Flyers	Newspapers/ Magazines	Total
USEFUL	34.6	34.8	24.5	43.6	55.1	43.8	52.4	41.5
INTERESTING	21.1	27.6	18.8	17.9	25.3	20.9	18.7	22.4
NOT INTERESTING	29.2	22.8	36.8	28.3	9.9	20.4	10.5	21.2
OBJECTIONABLE	6.1	5.7	6.8	3.6	2.0	3.4	2.9	4.3
DON'T KNOW/NO ANSWER	9.0	9.1	13.1	6.6	7.7	11.5	15.4	10.6
TOTAL MAIL RECEIVED BY HOUSEHOLDS	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: USPS Household Diary Study, 1990.

ADVANTAGES OF NON-STORE SHOPPING FOR 50+ CONSUMER
ASKED OF THOSE WHO BOUGHT/ORDERED MERCHANDISE WITHOUT GOING TO RETAIL STORE IN PAST 3 MONTHS

The Roper organization did an analysis for *Modern Maturity* Magazine regarding direct marketing buying habits and attitudes of the 50+ consumer. A nationwide cross-section of 1,995 adults aged 18 and over were interviewed face to face. From this sample, Roper filtered out those respondents aged 50 and over for this report.



Source: *Modern Maturity* Magazine/The Roper Organization, 1990.

PERCENT OF TOTAL POPULATION ORDERING PRODUCTS BY PHONE OR MAIL

The Study of Media and Markets is a syndicated study based on a stratified multi-stage area probability sample of 19,874 adults, interviewed between July 1989 and June 1990. The product usage and buying behavior data was gathered through self-administered questionnaires and personal interviews. The results were then projected to reflect the entire U.S. population.

	TOTAL U.S. (000)	TOTAL U.S. PRODUCT	COOK BOOKS	BOOK CLUB BOOKS	COSMETICS	RECORDS	MAGAZINES	PHOTO PROCESSING	COSTUME JEWELRY	CLOTHING	CURTAINS BEDSPREADS LINEN
TOTAL ADULTS	181,131	54.4	3.6	6.6	2.6	2.9	16.8	3.3	3.1	27.5	5.0
MALES	86,476	48.1	2.1	5.4	1.2	2.8	14.0	2.5	1.9	20.2	2.6
FEMALES	94,655	60.3	4.9	7.6	3.8	3.0	19.3	4.0	4.1	34.1	7.2
18—24	25,507	46.4	2.8	5.8	2.0	2.7	14.5	3.4	2.4	20.2	2.7
25—34	43,858	57.4	3.3	9.3	2.9	3.5	18.7	4.0	2.9	29.3	6.0
35—44	36,206	60.6	4.0	7.6	2.5	3.1	19.4	3.7	2.7	31.6	5.8
45—54	24,795	57.2	3.7	6.6	3.0	2.6	16.8	3.5	3.8	28.5	6.2
55—64	21,496	54.3	4.4	3.9	2.6	2.4	15.8	2.8	4.0	28.0	4.3
65 OR OLDER	29,268	47.2	3.4	3.8	2.3	2.6	13.3	1.6	3.0	24.6	3.9
GRADUATED COLLEGE	34,578	65.9	4.5	10.4	2.9	3.8	21.6	4.3	3.0	38.6	6.4
ATTENDED COLLEGE	33,812	60.8	4.3	7.7	2.8	3.0	20.4	3.7	2.7	30.8	5.6
GRADUATED HIGH SCHOOL	71,180	55.2	3.7	6.2	2.9	2.8	16.7	3.5	3.5	27.9	5.1
DID NOT GRADUATE HIGH SCHOOL	41,560	38.6	2.1	3.2	1.5	2.3	10.0	1.5	2.5	14.8	3.1
PROFESSIONAL/MANAGER	31,879	67.4	4.3	10.8	2.5	3.7	21.1	4.3	3.2	38.5	6.1
TECHNICAL/CLERICAL SALES	37,678	60.9	4.9	8.0	3.9	3.1	20.0	4.5	4.1	33.7	6.0
PRECISION/CRAFT	14,826	47.9	2.1	5.5	1.0	2.3	12.7	2.7	1.7	19.0	2.2
OTHER EMPLOYED	35,775	49.8	2.4	5.2	1.9	2.5	14.7	2.7	2.6	21.4	4.0
SINGLE	39,788	47.8	3.2	5.9	2.4	2.9	15.0	2.6	2.4	22.4	2.8
MARRIED	108,473	59.1	3.9	7.2	2.5	3.1	17.8	3.9	3.2	31.0	6.1
DIVORCED,SEPARATED, WIDOWED	32,870	47.1	3.1	5.3	2.9	2.3	15.5	1.8	3.3	22.0	3.8
PARENTS	60,843	59.0	3.7	8.5	2.7	3.1	19.2	4.5	3.2	29.9	6.3
NORTHEAST-CENSUS	38,551	55.1	3.8	7.1	2.4	4.0	16.8	4.8	3.1	31.1	5.9
MIDWEST	44,079	62.2	3.6	7.8	2.5	3.1	19.1	2.9	3.2	33.6	6.8
SOUTH	62,458	51.5	3.5	5.9	2.4	2.7	15.6	3.2	3.3	23.8	4.1
WEST	36,042	49.4	3.5	5.7	3.1	1.8	16.0	2.1	2.3	22.4	3.3
HOUSEHOLD INCOME											
$60,000 OR MORE	31,937	65.3	5.1	9.7	2.6	2.9	20.5	3.9	3.5	37.5	7.3
$50,000 OR MORE	47,508	64.7	4.5	9.3	2.4	3.0	20.4	3.8	3.5	36.0	6.9
$40,000 OR MORE	68,804	63.3	4.2	8.9	2.6	3.2	19.5	3.9	3.3	34.5	6.5
$30,000 OR MORE	96,864	62.1	4.0	8.3	2.5	3.3	19.3	3.9	3.4	33.2	6.1
$30,000—$39,999	28,060	59.2	3.6	6.8	2.4	3.5	18.9	3.9	3.8	29.9	5.2
$20,000—$29,999	30,796	54.0	3.6	5.7	2.6	3.1	17.2	3.4	3.4	25.2	5.4
$10,000—$19,999	32,038	46.1	2.5	4.2	3.1	2.1	13.7	2.6	2.4	21.9	3.1
UNDER $10,000	21,433	32.7	3.1	3.7	2.0	2.1	9.3	1.1	1.8	13.1	2.2
HOUSEHOLD SIZE											
1 PERSON	23,081	44.6	3.1	4.9	2.7	2.4	12.4	1.5	2.6	22.9	3.3
2 PEOPLE	59,128	54.6	3.7	5.4	3.0	3.1	16.0	2.6	3.6	28.2	4.4
3 OR 4 PEOPLE	73,074	56.5	3.9	7.9	2.3	3.1	18.5	3.8	2.8	28.3	5.7
5 OR MORE PEOPLE	25,847	57.1	3.0	7.2	2.2	2.3	17.6	4.9	3.1	27.6	5.8
NO CHILD IN HOUSEHOLD	108,398	52.4	3.6	5.7	2.7	2.9	15.7	2.6	3.0	26.9	4.3
CHILDREN UNDER 2 YEARS	15,433	55.6	3.3	10.1	2.2	3.2	18.3	4.6	1.7	26.9	5.9
2—5 YEARS	25,280	58.7	3.8	10.4	2.5	2.7	20.1	4.0	2.7	28.9	6.6
6—11 YEARS	33,718	58.6	3.1	8.4	2.2	2.7	19.3	4.5	3.4	29.1	6.4
12—17 YEARS	32,401	57.3	4.0	6.0	2.5	3.0	18.2	4.5	3.4	28.0	5.7
RESIDENCE OWNED	124,240	59.3	3.9	7.2	2.8	3.0	17.9	3.6	3.2	31.3	5.8
VALUE $70,000 OR MORE	66,423	62.4	4.2	8.3	2.8	3.1	18.4	3.6	3.1	34.4	6.4
VALUE LESS THAN $70,000	57,817	55.7	3.6	6.1	2.8	2.8	17.4	3.6	3.2	27.6	5.0

(continued)

PERCENT OF TOTAL POPULATION ORDERING PRODUCTS BY PHONE OR MAIL

(CONTINUED FROM PAGE 38)

	TOYS	COOKWARE KITCHEN ACCESSORIES	TREES PLANTS, SEEDS	GREETING CARDS	OTHER BOOKS	AUTO ACCESSORIES	SHOES OR BOOTS	AUDIO CASSETTE TAPES	TRAVEL/ TOUR INFORMATION	CREDIT CARDS
TOTAL ADULTS	4.9	4.1	5.2	3.4	5.0	3.7	5.4	6.2	5.8	4.7
MALES	3.2	2.8	3.9	1.7	4.0	5.4	4.1	5.7	5.2	4.8
FEMALES	6.4	5.5	6.4	5.0	6.0	2.1	6.5	6.7	6.4	4.6
18—24	2.4	2.4	1.5	2.4	3.0	3.7	2.8	5.3	3.5	5.7
25—34	7.0	4.3	4.2	3.8	5.3	3.4	4.1	6.9	5.4	5.9
35—44	5.9	5.8	6.3	4.8	6.0	5.0	6.7	7.6	7.9	5.1
45—54	5.8	4.3	6.6	2.9	5.8	4.5	7.1	6.2	8.3	4.4
55—64	4.2	4.2	6.0	2.6	5.1	3.0	5.5	4.9	5.7	3.4
65 OR OLDER	2.6	3.0	7.1	3.1	4.5	2.3	6.2	5.3	4.0	2.6
GRADUATED COLLEGE	6.6	5.0	6.8	5.0	7.9	4.5	6.9	8.9	9.7	6.0
ATTENDED COLLEGE	6.2	4.5	6.2	3.8	6.0	4.0	5.8	7.3	7.4	6.5
GRADUATED HIGH SCHOOL	5.0	4.1	4.8	3.3	4.6	3.8	5.4	5.7	5.5	4.5
DID NOT GRADUATE HIGH SCHOOL	2.3	3.1	3.9	2.2	2.7	2.7	3.7	4.1	1.9	2.3
PROFESSIONAL/MANAGER	6.2	4.4	6.1	4.4	7.6	4.5	6.7	8.8	9.8	6.4
TECHNICAL/CLERICAL SALES	5.9	5.4	5.7	4.5	5.2	3.0	6.7	6.6	7.7	6.5
PRECISION/CRAFT	3.4	4.3	3.5	1.5	3.5	5.5	2.2	5.2	4.2	4.3
OTHER EMPLOYED	5.0	2.4	3.9	2.4	3.5	4.5	4.2	5.3	4.0	4.2
SINGLE	1.9	3.0	1.9	2.4	4.7	4.0	3.0	6.1	4.8	6.2
MARRIED	6.6	4.9	7.0	4.0	5.4	4.1	6.5	6.5	6.7	4.5
DIVORCED,SEPARATED,WIDOWED	3.1	2.8	3.7	2.7	4.2	2.1	4.3	5.6	4.2	3.2
PARENTS	8.3	4.3	5.5	4.7	5.3	4.3	5.6	6.5	5.6	4.4
NORTHEAST-CENSUS	5.4	5.2	5.9	3.3	5.4	3.6	6.1	6.9	7.4	5.8
MIDWEST	6.1	3.4	6.8	3.9	4.6	4.4	6.2	6.5	6.7	4.5
SOUTH	4.0	3.8	4.8	3.2	4.5	3.2	4.9	5.7	4.5	4.0
WEST	4.5	4.4	3.5	3.5	6.2	3.9	4.2	6.2	5.4	4.8
HOUSEHOLD INCOME										
$60,000 OR MORE	6.7	5.8	7.4	4.7	6.1	4.9	6.4	7.4	11.2	5.8
$50,000 OR MORE	6.6	5.7	7.7	4.5	6.6	4.4	6.6	8.0	10.3	6.2
$40,000 OR MORE	6.5	5.3	7.0	4.2	6.3	4.6	6.3	7.2	9.2	5.9
$30,000 OR MORE	6.5	5.2	6.5	3.9	6.2	4.6	6.6	7.2	8.4	5.8
$30,000—$39,999	6.5	5.0	5.6	3.3	5.8	4.8	7.5	7.1	6.3	5.5
$20,000—$29,999	4.1	3.7	5.1	3.4	4.6	3.5	4.4	6.4	4.5	5.0
$10,000—$19,999	2.8	2.8	3.1	2.7	3.4	2.8	3.3	5.0	2.7	2.8
UNDER $10,000	2.0	1.7	2.8	2.3	3.1	1.1	4.0	3.5	0.9	2.0
HOUSEHOLD SIZE										
1 PERSON	1.7	3.2	2.9	2.7	3.6	2.0	3.6	5.2	3.0	3.1
2 PEOPLE	3.3	4.1	6.1	3.0	5.6	3.7	6.0	6.5	6.0	4.9
3 OR 4 PEOPLE	6.5	4.0	5.7	3.7	5.4	3.9	5.0	6.2	6.8	5.1
5 OR MORE PEOPLE	7.0	5.2	4.1	4.4	4.3	4.7	6.3	6.5	5.3	4.2
NO CHILD IN HOUSEHOLD	3.0	4.0	5.3	2.8	5.0	3.3	5.4	6.2	6.3	4.8
CHILDREN UNDER 2 YEARS	9.5	3.6	4.9	4.3	5.3	2.6	4.2	5.8	3.6	4.6
2—5 YEARS	11.5	4.2	4.6	4.6	6.1	3.6	5.3	7.2	5.0	4.3
6—11 YEARS	8.7	5.2	5.3	4.6	5.8	4.3	5.8	6.8	5.9	4.2
12—17 YEARS	5.1	3.9	5.4	4.3	3.8	5.1	5.3	6.4	5.8	4.7
RESIDENCE OWNED	5.8	4.5	6.8	3.9	5.6	4.2	6.4	6.6	6.9	4.6
VALUE $70,000 OR MORE	6.7	5.1	7.2	4.3	6.2	4.9	6.5	6.9	9.0	5.0
VALUE LESS THAN $70,000	4.8	3.7	6.3	3.4	4.9	3.5	6.3	6.1	4.6	4.1

Source: Simmons Market Research Bureau: 1990 Study of Media and Markets

SEASONALITY STUDY/UPDATE #15—APRIL 1991
PREPARED BY THE KLEID COMPANY, INC.

The first Kleid Company Seasonality Study was issued in April 1978, covering the 12-month period from March 1977–February 1978. The primary objective was to bring together information on a month-by-month basis to track seasonal patterns.

This is the fifteenth year of our seasonality study. It does appear that our strategy to develop this research through market segments yielded added value. The patterns have changed — and will continue to change — but we're also seeing consistencies.

As we all know, direct mail marketing is complex. There are many variables which make it difficult to reduce any findings to a common denominator — or to an absolute mathematical formula. The external environment and internal environment do not happen on a schedule. So, consider this study directional. It has inspired multi-product direct marketers to conduct their own seasonality studies on a product-by-product basis.

As a matter of fact, the reason for some of the seasonal changes and consistencies is because many mailers have — and are — monitoring their own promotional patterns — and have graduated from two mailings per year to four or five mailings, and so on.

For results-oriented mailers it is important to recognize the electricity of direct mail — which impacts "when to mail" as much as "what to mail and to whom."

Source: Rose Harper, President, The Kleid Company, Inc., 1991.

SUMMARY OF FIVE-YEAR AVERAGES FOR THE YEARS THROUGH:

	1989—90		1990—91	
	TOP MONTH	#2 MONTH	TOP MONTH	#2 MONTH
BUSINESS & FINANCE	**DECEMBER**	MAY	**DECEMBER**	JUNE
CULTURAL READING	**DECEMBER**	MAY/JUNE	**DECEMBER**	NOVEMBER
GENERAL READING	**DECEMBER**	JUNE	**DECEMBER**	JUNE
SELF-IMPROVEMENT	**MAY**	DECEMBER	**DECEMBER**	MARCH
HOME INTEREST	**SEPTEMBER**	DECEMBER	**JUNE**	DECEMBER
PARENTS & CHILDREN	**SEPTEMBER**	DECEMBER	**JANUARY**	JUNE
HOBBIES/RELATED SUBJECTS	**DECEMBER**	JUNE	**DECEMBER**	JUNE
ENTERTAINMENT	**DECEMBER**	JANUARY	**DECEMBER**	JUNE
EDUCATION	**JULY**	DECEMBER	**DECEMBER**	OCTOBER
FUNDRAISING	**NOVEMBER**	OCTOBER	**NOVEMBER**	OCT/JAN
HEALTH	**DECEMBER**	JUNE	**JUNE**	DECEMBER

Source: The Kleid Company, Inc., 1991.

SEASONALITY STUDY
CATEGORY: BUSINESS/FINANCE
MONTHLY % OF TOTAL MAILINGS

1991 Ranking		1986—87	1987—88	1988—89	1989—90	1990—91	5-YEAR AVERAGE
	MARCH	6.9	6.9	7.4	10.1	6.3	7.5
	APRIL	5.9	7.3	6.0	7.1	6.4	6.5
	MAY	6.8	10.7	9.4	12.7	9.2	9.8
2.	JUNE	12.1	7.6	6.4	5.6	10.6	8.5
4.	JULY	5.8	5.4	5.9	6.8	9.4	6.7
	AUGUST	5.4	6.9	7.5	5.7	7.0	6.5
	SEPTEMBER	8.5	8.6	10.2	8.4	8.9	8.9
	OCTOBER	9.5	7.4	6.4	7.5	6.0	7.4
	NOVEMBER	3.7	5.8	6.0	5.2	3.4	4.8
1.	DECEMBER	18.0	17.4	20.7	14.8	15.6	17.3
3.	JANUARY	11.3	12.3	10.1	9.9	10.1	10.7
	FEBRUARY	6.1	3.7	4.0	6.2	7.1	5.4
	TOTAL:	100%	100%	100%	100%	100%	100%

December will not give up the lead. June beat January by a small margin to become #2.

Source: The Kleid Company, Inc., 1991.

SEASONALITY STUDY
CATEGORY: CULTURAL READING
MONTHLY % OF TOTAL MAILINGS

1991 Ranking		1986—87	1987—88	1988—89	1989—90	1990—91	5-YEAR AVERAGE
	MARCH	6.1	4.7	9.0	5.3	5.3	6.1
	APRIL	1.2	1.3	1.0	4.6	6.6	2.9
	MAY	1.0	0.5	2.7	13.6	10.1	5.6
3.	JUNE	13.5	23.4	20.6	13.5	11.8	16.6
	JULY	7.0	6.5	7.1	4.3	3.9	5.8
	AUGUST	12.7	2.5	2.6	0.8	3.7	4.5
	SEPTEMBER	5.2	8.2	8.6	11.3	6.1	7.9
4.	OCTOBER	13.5	12.0	14.7	9.2	10.5	12.0
2.	NOVEMBER	3.0	5.6	5.3	10.2	14.9	7.8
1.	DECEMBER	28.8	27.4	22.0	21.4	22.0	24.1
	JANUARY	4.8	6.8	5.8	4.3	4.6	5.3
	FEBRUARY	3.2	1.1	0.6	1.5	0.5	1.4
	TOTAL:	100%	100%	100%	100%	100%	100%

December outweighs the competition by a substantial margin. November is now #2 with June #3.

Source: The Kleid Company, Inc., 1991.

SEASONALITY STUDY
CATEGORY: EDUCATIONAL, TECHNICAL, PROFESSIONAL
MONTHLY % OF TOTAL MAILINGS

1991 Ranking		1986—87	1987—88	1988—89	1989—90	1990—91	5-YEAR AVERAGE
	MARCH	4.4	2.1	23.7	13.2	9.0	10.5
	APRIL	28.7	8.4	4.7	4.2	2.2	9.6
	MAY	4.0	3.0	2.6	3.8	9.1	4.5
	JUNE	2.8	7.1	0.5	5.0	5.0	4.1
3.	JULY	2.8	11.7	2.6	23.0	11.9	10.4
4.	AUGUST	4.3	5.6	6.4	3.3	10.3	6.0
	SEPTEMBER	3.7	3.5	9.2	4.4	4.8	5.1
2.	OCTOBER	3.3	6.6	16.7	6.1	12.7	9.1
	NOVEMBER	1.0	3.9	1.7	5.9	7.9	4.1
1.	DECEMBER	7.7	29.5	15.8	21.4	21.6	19.1
	JANUARY	32.4	14.9	13.1	4.0	4.4	13.8
	FEBRUARY	4.9	3.7	3.0	5.7	1.1	3.7
	TOTAL:	100%	100%	100%	100%	100%	100%

July gave up the #1 spot to December. October went from #4 to #2. July #3.

Source: The Kleid Company, Inc., 1991.

SEASONALITY STUDY
CATEGORY: ENTERTAINMENT
MONTHLY % OF TOTAL MAILINGS

1991 Ranking		1986—87	1987—88	1988—89	1989—90	1990—91	5-YEAR AVERAGE
	MARCH	6.8	7.9	6.3	4.9	4.4	6.1
	APRIL	4.7	5.3	7.8	2.5	3.8	4.8
	MAY	2.2	2.7	4.5	1.6	3.9	3.0
2.	JUNE	10.2	8.3	8.2	12.2	19.6	11.7
	JULY	9.1	14.1	11.0	9.3	8.1	10.3
	AUGUST	8.1	6.3	6.5	4.9	5.4	6.2
4.	SEPTEMBER	6.2	5.4	10.1	8.6	9.1	7.9
	OCTOBER	7.9	9.3	4.9	3.4	4.8	6.1
	NOVEMBER	3.9	3.2	2.3	2.1	2.2	2.7
1.	DECEMBER	19.7	16.1	16.4	29.7	25.3	21.4
3.	JANUARY	9.6	13.7	12.4	13.7	10.1	11.9
	FEBRUARY	11.6	7.7	9.6	7.1	3.3	7.9
	TOTAL:	100%	100%	100%	100%	100%	100%

December is #1. June replaced January as #2, but these 3 months account for 55% of the total.

Source: The Kleid Company, Inc., 1991.

SEASONALITY STUDY
CATEGORY: FUND RAISING
MONTHLY % OF TOTAL MAILINGS

1991 Ranking		1986—87	1987—88	1988—89	1989—90	1990—91	5-YEAR AVERAGE
4.	MARCH	11.8	8.5	7.7	6.5	9.8	8.9
	APRIL	3.3	5.9	9.0	3.4	3.7	5.1
	MAY	3.6	5.0	6.1	3.9	5.1	4.7
	JUNE	5.0	2.0	2.0	2.8	2.8	2.9
	JULY	3.6	4.3	5.6	5.1	4.9	4.7
	AUGUST	9.4	13.3	14.1	8.5	8.1	10.7
	SEPTEMBER	10.6	7.3	5.3	6.3	9.7	7.8
2.	OCTOBER	9.5	9.3	5.9	17.1	13.3	11.0
1.	NOVEMBER	16.6	19.0	19.6	19.2	16.4	18.1
	DECEMBER	6.7	4.1	6.0	6.8	5.2	5.8
3.	JANUARY	6.0	5.6	7.2	7.4	13.2	7.9
	FEBRUARY	13.9	15.7	11.5	13.0	7.8	12.4
	TOTAL:	100%	100%	100%	100%	100%	100%

November held on to first place. October and January practically tied for #2. March made a reasonable showing.

Source: The Kleid Company, Inc., 1991.

SEASONALITY STUDY
CATEGORY: GENERAL READING
MONTHLY % OF TOTAL MAILINGS

1991 Ranking		1986—87	1987—88	1988—89	1989—90	1990—91	5-YEAR AVERAGE
	MARCH	6.0	4.9	6.6	5.0	7.5	6.0
	APRIL	3.2	3.2	5.3	7.1	5.6	4.9
3.	MAY	2.1	1.3	10.5	0.6	12.4	5.4
2.	JUNE	22.1	25.3	17.3	21.8	18.2	20.9
	JULY	15.1	5.4	7.2	9.1	8.4	9.0
	AUGUST	7.6	8.1	7.8	3.1	4.0	6.1
	SEPTEMBER	4.7	5.2	4.8	8.6	4.1	5.5
	OCTOBER	4.3	4.1	5.3	4.7	5.7	4.8
	NOVEMBER	8.3	11.3	0.4	0.7	1.5	4.4
1.	DECEMBER	18.6	18.1	23.0	25.7	22.9	21.8
4.	JANUARY	3.9	6.7	7.1	10.4	9.6	7.5
	FEBRUARY	4.1	6.4	4.7	3.2	0.1	3.7
	TOTAL:	100%	100%	100%	100%	100%	100%

December is a consistent #1 and June steady at #2. May revived to take spot #3.

Source: The Kleid Company, Inc., 1991.

SEASONALITY STUDY
CATEGORY: HEALTH
MONTHLY % OF TOTAL MAILINGS

1991 Ranking		1986—87	1987—88	1988—89	1989—90	1990—91	5-YEAR AVERAGE
	MARCH	4.6	8.3	3.2	3.8	3.2	4.6
	APRIL	0.8	1.4	3.0	1.8	1.1	1.6
	MAY	1.1	0.1	2.6	0.5	2.1	1.3
1.	JUNE	8.5	5.8	6.6	21.4	39.2	16.3
3.	JULY	10.4	28.7	20.6	4.9	9.4	14.8
4.	AUGUST	8.9	0.1	3.8	6.1	8.5	5.5
	SEPTEMBER	6.9	9.6	7.1	9.5	3.3	7.3
	OCTOBER	0.8	0.9	1.6	1.6	1.1	1.2
	NOVEMBER	0.5	0.3	0.4	3.5	0.4	1.0
2.	DECEMBER	51.5	39.1	42.8	38.7	25.9	39.6
	JANUARY	3.7	3.2	4.7	2.8	4.9	3.9
	FEBRUARY	2.3	2.5	3.6	5.4	0.9	2.9
	TOTAL:	100%	100%	100%	100%	100%	100%

June is a strong #1, December is #2 and July a weak #3.

Source: The Kleid Company, Inc., 1991.

SEASONALITY STUDY
CATEGORY: HOBBIES—RELATED SUBJECTS
MONTHLY % OF TOTAL MAILINGS

1991 Ranking		1986—87	1987—88	1988—89	1989—90	1990—91	5-YEAR AVERAGE
	MARCH	3.5	4.4	4.0	4.3	4.9	4.2
	APRIL	5.2	5.0	5.6	4.3	4.1	4.8
	MAY	3.0	3.7	2.3	4.0	2.4	3.1
2.	JUNE	17.5	22.1	18.5	25.5	22.2	21.2
	JULY	15.0	2.3	8.9	4.3	4.6	7.0
	AUGUST	6.8	5.7	11.5	6.6	4.3	7.0
3.	SEPTEMBER	5.0	5.5	3.7	6.6	7.5	5.7
4.	OCTOBER	7.8	4.0	7.3	3.3	7.1	5.9
	NOVEMBER	1.0	8.2	2.4	1.4	1.5	2.9
1.	DECEMBER	24.7	21.6	20.7	32.0	33.1	26.3
	JANUARY	4.6	7.6	10.7	5.1	5.8	6.8
	FEBRUARY	5.9	9.9	4.4	2.6	2.5	5.1
	TOTAL:	100%	100%	100%	100%	100%	100%

December and June a convincing #1 and #2, the same as last year.

Source: The Kleid Company, Inc., 1991.

SEASONALITY STUDY
CATEGORY: HOME INTEREST
MONTHLY % OF TOTAL MAILINGS

1991 Ranking		1986—87	1987—88	1988—89	1989—90	1990—91	5-YEAR AVERAGE
	MARCH	4.2	6.0	7.8	7.1	5.5	6.1
	APRIL	6.2	5.1	6.3	4.8	3.9	5.3
	MAY	2.8	3.1	2.0	3.9	6.6	3.7
1.	JUNE	18.6	13.8	15.4	18.2	17.3	16.7
	JULY	7.8	7.4	6.5	4.5	7.9	6.8
	AUGUST	8.6	10.0	6.1	4.7	4.1	6.7
4.	SEPTEMBER	4.7	10.3	12.1	11.1	10.4	9.7
	OCTOBER	11.3	9.9	6.8	9.6	6.2	8.8
	NOVEMBER	2.0	2.3	3.6	3.1	6.0	3.4
2.	DECEMBER	16.9	13.8	19.0	19.5	16.5	17.0
3.	JANUARY	12.8	13.3	9.8	7.7	10.8	10.9
	FEBRUARY	4.1	5.0	4.6	5.8	4.8	4.9
	TOTAL:	100%	100%	100%	100%	100%	100%

June took over #1, December #2 and January is #3.

Source: The Kleid Company, Inc., 1991.

SEASONALITY STUDY
CATEGORY: PARENTS AND CHILDREN
MONTHLY % OF TOTAL MAILINGS

1991 Ranking		1986—87	1987—88	1988—89	1989—90	1990—91	5-YEAR AVERAGE
	MARCH	4.3	3.2	4.5	3.5	4.4	4.0
	APRIL	4.3	6.7	6.5	5.6	5.3	5.7
	MAY	4.3	3.9	4.8	4.2	4.5	4.3
2.	JUNE	5.9	10.5	7.9	12.1	12.8	9.8
	JULY	14.5	12.2	10.2	10.8	10.1	11.6
	AUGUST	10.7	7.8	6.5	5.6	8.3	7.8
3.	SEPTEMBER	11.1	13.3	11.3	16.5	12.6	13.0
	OCTOBER	3.5	7.8	16.2	6.7	7.4	8.3
	NOVEMBER	2.1	1.5	0.4	0.6	2.4	1.4
3.	DECEMBER	18.7	14.4	17.7	16.4	12.6	16.0
1.	JANUARY	11.1	10.2	8.5	9.9	14.4	10.7
	FEBRUARY	9.5	8.5	5.5	8.1	5.2	7.4
	TOTAL:	100%	100%	100%	100%	100%	100%

January took over #1. June is #2 by a fraction over September and December — tied for #3.

Source: The Kleid Company, Inc., 1991.

SEASONALITY STUDY CATEGORY: SELF-IMPROVEMENT

MONTHLY % OF TOTAL MAILINGS

1991 Ranking		1986—87	1987—88	1988—89	1989—90	1990—91	5-YEAR AVERAGE
2.	MARCH	5.3	12.9	10.5	12.2	12.7	10.7
	APRIL	15.1	8.0	9.4	4.2	5.0	8.3
3.	MAY	7.4	8.0	4.3	15.6	9.6	9.0
	JUNE	7.7	11.6	7.5	9.3	7.8	8.8
	JULY	12.9	3.0	1.9	3.4	3.1	4.9
	AUGUST	11.8	10.9	7.1	11.1	8.6	9.9
	SEPTEMBER	13.0	10.7	16.7	9.9	7.9	11.7
	OCTOBER	4.2	6.8	5.0	8.4	5.6	6.0
4.	NOVEMBER	0.7	2.8	2.6	2.8	8.8	3.5
1.	DECEMBER	12.2	11.7	17.3	14.8	18.6	14.9
	JANUARY	7.6	7.8	8.4	3.4	7.2	6.9
	FEBRUARY	2.1	5.8	9.3	4.9	5.1	5.4
	TOTAL:	100%	100%	100%	100%	100%	100%

Last year May beat December by a small margin, but December soared to #1, March #2 and May #3.

Source: The Kleid Company, Inc., 1991.

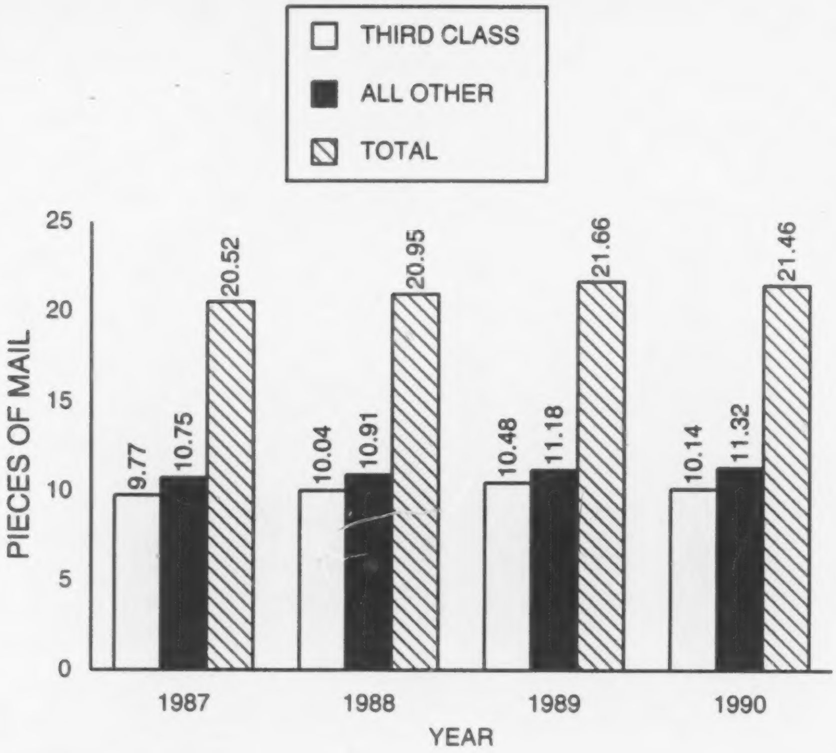
DIRECT MAIL RESPONSE BY DEMOGRAPHICS

BASE INDEX = 100

Group	Index
Men	91
Women	108
Marital Status	
Married	115
Living together, not married	100
Divorced or separated	94
Widowed	73
Single, never married	86
Age	
14 thru 17	76
18 thru 24	78
25 thru 34	112
35 thru 44	128
45 thru 54	118
55 thru 64	94
65 and over	66
Education	
Grade 8 or less	72
Grades 9 to 11	72
Graduated high school	86
1 to 3 years of college	104
College graduate	115
Grad study	146

Source: Research Alert, MA*RT/USA, 1990.

AVERAGE NUMBER OF MAIL PIECES RECEIVED PER WEEK



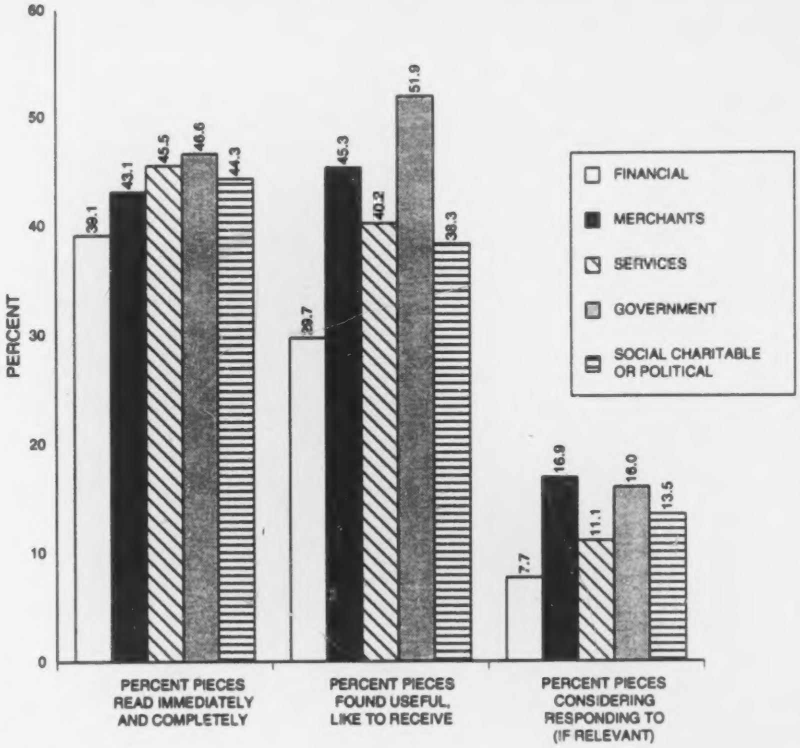
Source: USPS Household Diary Study: 1988, 1989, 1990, 1991.

TREATMENT OF THIRD-CLASS REGULAR MAIL PIECE BY SHAPE
AS PERCENTAGE OF MAIL PIECES RECEIVED BY HOUSEHOLDS

	Letter-Size Envelope	Larger Than Letter Envelope	Detached Label Card	Post-Card	Catalog In An Envelope	Catalog Not In Envelope	Flyers	Newspapers/ Magazines	Total
Read	45.0	42.1	30.2	54.6	53.7	42.0	40.2	47.6	41.9
Looked At, But Not Read	28.4	28.7	32.3	22.8	21.6	26.8	30.0	19.1	27.8
Discarded	15.4	15.2	23.7	14.6	8.6	9.0	14.6	10.1	14.0
Set Aside	4.1	7.4	3.7	2.7	13.7	16.1	5.4	9.5	7.6
Don't Know/No Response	7.1	6.5	10.0	5.2	2.5	6.1	9.8	13.8	8.6
Total Mail Received by Households	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: USPS Household Diary Study, 1990.

CONSUMER TREATMENT OF THIRD-CLASS MAIL BY SELECTED INDUSTRY
AS PERCENTAGE OF MAIL RECEIVED BY HOUSEHOLDS



Source: USPS Household Diary Study, 1990.

RESPONSE TO THIRD-CLASS BULK REGULAR MAIL PIECE BY AGE OF HEAD OF HOUSEHOLD
POSTAL YEAR 1989

Age of Head	Read Immediately (Percent)	Found Useful (Percent)	Considering Responding[1] (Percent)
18—21	46.9	42.6	28.7
22—24	49.6	45.6	19.8
25—34	39.7	43.3	17.0
35—44	42.2	44.4	15.3
45—54	40.0	40.7	15.8
55—64	43.3	39.7	14.3
65—69	41.0	38.9	11.8
70+	44.8	38.2	12.2

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[1] Of pieces identified by respondents as containing an advertisement or request for funds.

Source: USPS Household Diary Study, 1990.

THIRD-CLASS BULK REGULAR MAIL REACTION BY SELECTED INDUSTRY
POSTAL YEARS 1988 & 1989
AS PERCENTAGE OF MAIL RECEIVED BY HOUSEHOLDS

	Percent Pieces Read Immediately and Completely		Percent Pieces Found Useful		Percent Pieces Considering Responding To[1]	
	1988	1989	1988	1989	1988	1989
FINANCIAL						
CREDIT CARD	37.8	45.3	28.3	31.0	8.4	11.6
BANK	33.9	39.8	25.3	29.3	4.5	7.2
SECURITIES BROKER	48.6	31.5	53.3	44.4	5.0	2.3
MONEY MARKET	49.9	36.4	39.5	27.7	0.0	1.3
INSURANCE	29.7	35.9	25.1	27.4	3.9	6.8
REAL ESTATE/MORTGAGE	26.9	32.3	13.3	21.3	2.0	3.5
TOTAL FINANCIAL	34.4	39.1	27.5	29.7	5.2	7.7
MERCHANTS						
SUPERMARKET	42.3	39.9	53.2	54.4	26.9	25.6
DEPARTMENT STORE	47.1	46.7	56.1	54.5	15.5	17.3
MAIL ORDER	40.2	41.7	38.9	43.5	13.8	16.1
OTHER STORE	41.2	41.0	45.3	45.0	11.9	14.4
PUBLISHER	40.5	40.4	35.2	36.3	15.4	15.5
LAND PROMOTION	36.0	38.1	6.4	8.2	3.8	2.8
RESTAURANT	49.6	51.5	41.8	51.4	21.2	25.5
MANUFACTURER	63.5	58.1	62.2	55.7	23.9	31.5
AUTO DEALER	40.7	42.5	27.3	32.4	5.6	9.3
SERVICE STATION	36.6	39.3	59.4	35.0	11.4	15.0
MALL	35.2	40.2	38.1	37.0	6.2	12.7
TOTAL MERCHANTS	42.8	43.1	43.9	45.3	15.0	16.9
SERVICES						
TELEPHONE	51.6	49.1	44.0	45.4	8.8	18.1
ELECTRIC/GAS/WATER	54.3	62.6	46.7	60.0	11.2	11.0
MEDICAL	44.0	47.2	42.7	37.5	4.8	10.2
OTHER PROFESSIONAL	61.6	54.2	38.1	54.5	8.6	13.1
LEISURE SERVICE	45.4	48.6	33.9	40.3	11.4	14.5
CABLE TV	45.0	46.8	46.1	39.6	9.2	10.4
COMPUTER	41.9	35.1	54.2	36.3	7.8	6.3
TOTAL SERVICES	45.3	45.5	39.2	40.2	8.5	11.1
GOVERNMENT						
STATE & LOCAL GOVT.	46.6	57.2	51.9	64.6	17.2	16.0
SOCIAL, CHARITABLE OR POLITICAL						
UNION/PROFESSIONAL	61.8	58.4	54.3	48.6	17.9	8.1
CHURCH	58.8	74.5	46.3	72.5	7.7	24.6
EDUCATIONAL	43.6	41.0	43.6	37.8	9.2	9.6
CHARITIES	35.9	56.5	29.6	45.4	4.8	20.1
POLITICAL	41.4	35.8	31.3	23.3	12.8	9.1
AARP	62.6	39.6	68.9	40.7	28.0	9.5
TOTAL SOCIAL, CHARITABLE OR POLITICAL	47.2	44.3	42.1	38.3	7.3	13.5

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[1] Of pieces containing an advertisement or a request for funds.

Source: USPS Household Diary Study, 1989 & 1990.

RESPONSE TO THIRD-CLASS BULK REGULAR ADVERTISING BY SHAPE

PERCENTAGE CONSIDERING RESPONDING
(IF MAIL PIECE CONTAINED ADVERTISING OR REQUEST FOR DONATION)

	Letter-Size Envelope	Larger Than Letter Envelope	Detached Label Card	Post-Card	Catalog In An Envelope	Catalog Not In Envelope	Flyers	Newspapers/ Magazines	Total[1]
Yes	13.1	18.2	7.6	17.1	24.6	18.1	14.2	13.3	15.0
No	70.2	62.4	71.4	67.4	49.6	46.0	56.4	48.9	58.8
Maybe	12.0	14.9	9.7	12.2	24.1	29.8	18.3	23.2	18.3
No Answer	4.8	4.6	11.3	3.3	1.8	6.1	11.1	14.5	7.9
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Pieces Per Household Per Week	1.5	1.1	0.6	0.1	0.1	1.5	0.4	0.4	7.3

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[1] Total includes pieces for which no response was given as to shape.

Source: USPS Household Diary Study, 1990.

RESPONSE TO THIRD-CLASS BULK REGULAR ADVERTISING BY EDUCATION OF HEAD OF HOUSEHOLD

POSTAL YEAR 1989

Education of Household Head	Read Immediately (Percent)	Found Useful (Percent)	Considering Responding[1] (Percent)
Less than 8th Grade	47.3	38.6	14.1
Some High School	44.5	39.5	15.6
High School	44.0	43.2	15.0
Some College	43.3	40.8	15.4
Professional or Technical School	39.0	44.2	18.3
College Grad	40.6	42.6	14.8
Post-Graduate	34.7	38.8	13.6

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[1] Of pieces identified by respondents as containing an advertisement or request for funds.

Source: USPS Household Diary Study, 1990.

CONSUMER READING HABITS OF THIRD-CLASS MAIL

AS PERCENTAGE OF TOTAL PIECES RECEIVED

	1987	1988	1989
Opened and Read	41.5%	41.1%	41.9%
Looked At, But Not Read	26.4%	27.3%	27.8%
Discarded Without Being Read	14.0%	15.2%	14.0%
Set Aside for Reading Later	8.1%	7.7%	7.6%
Don't Know/No Response	10.0%	8.7%	8.6%

Source: USPS Household Diary Study, 1988, 1989, 1990.

RESPONSE TO THIRD-CLASS BULK REGULAR MAIL PIECE BY INCOME

POSTAL YEARS 1988 & 1989

	READ IMMEDIATELY			
	Percent		Pieces Per Household Per Week	
Income	1988	1989	1988	1989
Less than $7K	37.8	39.1	1.6	1.4
$7K—$9.9K	48.5	46.9	2.3	1.8
$10K—$14.9K	44.7	49.7	2.7	3.4
$15K—$19.9K	47.1	46.1	3.0	2.4
$20K—$24.9K	44.7	43.7	3.3	2.6
$25K—$29.9K	41.6	46.5	3.2	3.1
$30K—$34.9K	40.5	41.8	3.6	3.6
$35K—$49.9K	41.3	41.3	4.0	7.2
$50K—$64.9K	36.7	42.2	4.3	4.8
$65K—$79.9K	38.2	37.2	4.6	3.2
$80K—$99.9K	43.6	37.3	6.1	1.1
$100K+	33.2	32.6	4.1	1.2

	FOUND USEFUL			
	Percent		Pieces Per Household Per Week	
Income	1988	1989	1988	1989
Less than $7K	36.4	32.8	1.6	1.2
$7K—$9.9K	38.7	40.9	1.8	1.5
$10K—$14.9K	37.3	42.1	2.2	2.9
$15K—$19.9K	42.4	42.0	2.7	2.2
$20K—$24.9K	42.6	45.2	3.1	2.7
$25K—$29.9K	42.7	40.6	3.3	2.7
$30K—$34.9K	39.7	42.7	3.5	3.7
$35K—$49.9K	41.3	43.8	4.0	7.7
$50K—$64.9K	41.0	41.1	4.8	4.7
$65K—$79.9K	42.2	41.7	5.1	3.5
$80K—$99.9K	42.7	40.6	4.9	1.2
$100K+	34.7	37.5	4.3	1.4

	CONSIDERING RESPONDING[1]			
	Percent		Pieces Per Household Per Week	
Income	1988	1989	1988	1989
Less than $7K	11.5	10.7	0.4	0.4
$7K—$9.9K	13.9	17.5	0.5	0.6
$10K—$14.9K	12.1	15.6	0.6	1.1
$15K—$19.9K	16.4	14.9	0.9	0.8
$20K—$24.9K	16.6	15.9	1.0	1.0
$25K—$29.9K	13.8	16.8	0.9	1.1
$30K—$34.9K	14.2	16.2	1.1	1.4
$35K—$49.9K	13.8	16.7	1.2	2.9
$50K—$64.9K	11.9	17.5	1.2	2.0
$65K—$79.9K	8.8	11.9	0.9	1.0
$80K—$99.9K	15.7	18.4	1.6	0.6
$100K+	9.6	9.5	1.0	0.4

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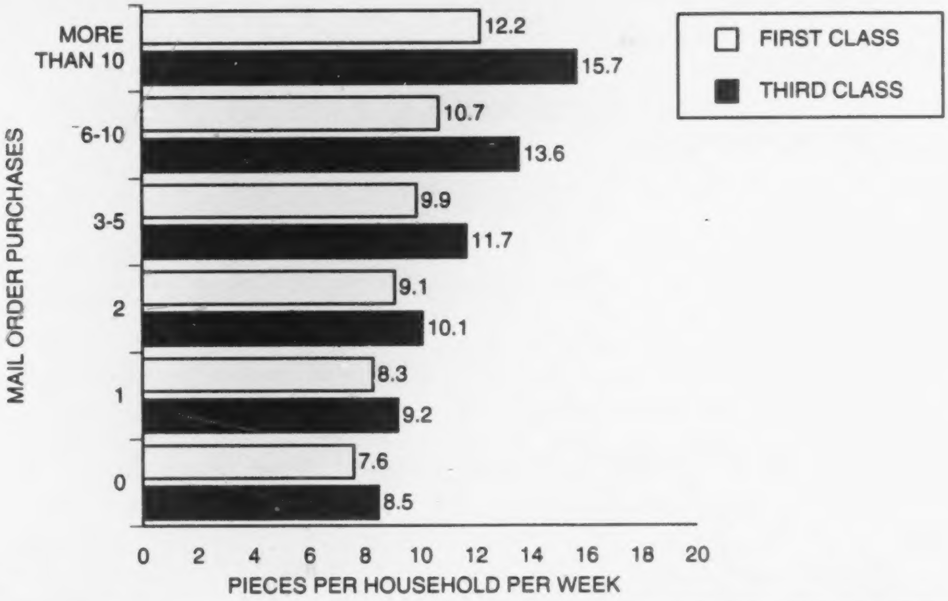
[1] Of pieces identified by respondents as containing an advertisement or request for funds.

Source: USPS Household Diary Study, 1989 & 1990.

RECEIPT OF FIRST- AND THIRD-CLASS MAIL BY NUMBER OF MAIL ORDER PURCHASES MADE IN THE PAST YEAR

POSTAL YEAR 1989



Source: USPS Household Diary Study, 1990.

NUMBER OF MAIL ORDER PURCHASES WITHIN THE LAST YEAR BY INCOME

POSTAL YEAR 1990

(PERCENTAGE OF HOUSEHOLDS)

NUMBER OF PURCHASES	LESS THAN $7K	$7K–$9.9K	$10K–$14.9K	$15K–$19.9K	$20K–$24.9K	$25K–$29.9K	$30K–$34.9K	$35K–$49.9K	$50K–$64.9K	$65K+	TOTAL
0	68.7	61.5	56.4	51.4	45.5	47.2	43.3	36.9	38.0	36.0	46.7
1—2	15.0	18.4	24.5	15.5	23.3	16.7	23.0	21.0	19.5	17.0	19.9
3—5	12.0	13.7	11.5	17.2	16.5	19.9	17.0	18.1	20.6	17.0	16.2
6—10	0.6	3.4	4.2	7.8	7.9	11.5	10.6	13.5	11.2	14.0	9.5
11—15	0.2	1.1	2.0	3.3	3.5	3.1	2.8	4.6	6.0	7.0	3.5
16—30	1.6	1.8	0.1	2.5	2.3	1.3	2.5	4.3	2.8	4.0	2.4
31+	0.2	0.0	0.3	1.4	0.0	0.3	0.3	0.7	1.2	4.0	1.0
Don't Know/ No Response	1.5	0.2	0.1	0.7	0.2	0.1	0.4	1.0	0.7	0.0	0.8
Total Households	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: USPS Household Diary Study, 1990.

1990 MAIL ORDER SALES

The statistics below are published in the *1990 Guide to Mail Order Sales*, authored by Arnold Fishman (Marketing Logistics, Inc.) The 1990 Guide is the tenth annual study of the overall mail order business with broad coverage of all major demand and supply segments*. These statistics are based on Micro and/or Macro estimates.

Micro estimates are developed for mail order sales segments on the basis of estimates of sales size of individual mail order business in the segment utilizing such resources as company reports, press reports, industry reports, list data and publishing schedule data.

Macro estimates are developed for mail order direct marketing sales segments on the basis of aggregate estimates of mail order sales in the segment, or aggregate bases from which mail order sales are extrapolated from a source for that sales segment.

*For purposes of this study, mail order sales covers orders placed by mail, phone or electronically, without the person ordering coming to the point of sale to place the order or the seller coming to the office or home of the orderer to take the order using an agent to collect the order. It does include sales where the product or service is delivered in the store as long as the order was placed by mail, phone or electronically. It excludes sales:

- Through personal selling by any means even through outside the store.
- Where the order is placed at the catalog desk or elsewhere in the store even in response to a catalog or other direct response communication received in the home or office.
- Outside the store where the buyer seeks out the vendor's agent or vending machine.
- Where the order is obtained by personal selling even though an inquiry or lead was obtained through direct marketing communication.

	Amount (in billions)
Consumer	
Products	**$57.50**
Specialty	44.52
General Merchandising	12.98
Services	**40.69**
Nonfinancial	21.66
Financial	19.03
TOTAL	**98.19**
Business:	
Products and Services	**53.45**
Charitable Contributions	49.03
MAIL ORDER TOTAL	**200.67**

U.S. consumer mail order sales of products and services were $98.19 billion in 1990, $57.50 billion in products and $40.69 billion in services. This represents a significant but still modest contribution to U.S. economic activity:

- 1.8 percent of gross national product
- 3.2 percent of retail sales
- 10.1 percent of general merchandise sales
- 2.1 percent of consumer service sales

On a per capita basis, Americans spent a total of $393 each by mail order in 1990.

U.S. business mail order sales in 1990 were $53.45 billion and charitable contributions were $49.03 billion. The total U.S. mail order sales and contributions were $200.67 billion.

While U.S. consumer mail order sales may appear modest on the overall scale of Gross National Product, retail sales or general merchandise sales, they are immense as a source of sales. Consumer mail order product sales are equivalent to 82% of sales of the top 100 department stores ($70 billion), more than Catalog Showrooms, Direct Selling and Vending Machines combined ($45.7 billion), and as much as any single consumer selling channel except mass general merchandisers and supermarkets. It is a leading consumer selling channel for specialty merchandising with prices under $1,000.

Source: 1990 Guide to Mail Order Sales, Marketing Logistics Inc., 1990.

TOTAL POPULATION ORDERING BY MAIL
BY DEMOGRAPHIC CATEGORY

The Study of Media and Markets is a syndicated study based on a stratified multi-stage area probability sample of 19,373 adults in 1989 and 19,874 in 1990, interviewed between the months of July and June. The product usage and buying behavior data was gathered through self-administered questionnaires and personal interviews. The results (below) were then projected to reflect the entire U.S. population, estimated to be 178,193,000 in 1989 and 181,131,000 in 1990.

	1989 Total U.S. (000)	1989 Total U.S. Buyers (000)	% Any Product	1990 Total U.S. (000)	1990 Total U.S. Buyers (000)	% Any Product	% Change from 1989 to 1990 Total Buyers	Total Change in Buyers by Mail 1989—1990 (000)
TOTAL ADULTS	178,193	85,207	47.8	181,131	84,501	46.7	-0.83%	-706
MALES	85,056	35,742	42.0	86,476	34,937	40.4	-2.25%	-805
FEMALES	93,136	49,465	53.1	94,655	49,564	52.4	+0.20%	+99
18—24	25,713	10,791	42.0	25,507	10,019	39.3	-7.15%	-772
25—34	43,283	20,694	47.8	43,858	21,308	48.6	+2.97%	+614
35—44	34,804	18,366	52.8	36,206	18,617	51.4	+1.37%	+251
45—54	23,902	12,390	51.8	24,795	12,026	48.5	-2.94%	-364
55—64	21,733	10,802	49.7	21,496	10,133	47.1	-6.19%	-669
65 OR OLDER	28,756	12,163	42.3	29,268	12,398	42.4	+1.93%	+235
GRADUATED COLLEGE	32,799	18,834	57.4	34,578	19,576	56.6	+3.94%	+742
ATTENDED COLLEGE	32,672	17,685	54.1	33,812	17,615	52.1	-0.40%	-70
GRADUATED HIGH SCHOOL	70,684	33,736	47.7	71,180	33,086	46.5	-1.93%	-650
DID NOT GRADUATE HIGH SCHOOL	42,039	14,952	35.6	41,560	14,224	34.2	-4.87%	-728
PROFESSIONAL/MANAGER	29,483	17,234	58.5	31,879	18,546	58.2	+7.61%	+1,312
TECHNICAL/CLERICAL/SALES	36,012	19,167	53.2	37,678	19,575	52.0	+2.13%	+408
PRECISION/CRAFT	14,266	6,368	44.6	14,826	5,769	38.9	-9.40%	-599
OTHER EMPLOYED	30,939	13,222	42.7	35,775	14,737	41.2	+11.46%	+1,515
SINGLE	38,354	15,757	41.1	39,788	16,495	41.5	+4.68%	+738
MARRIED	107,815	55,245	51.2	108,473	54,235	50.0	-1.83%	-1,010
DIVORCED,SEPARATED,WIDOWED	32,024	14,205	44.4	32,870	13,771	41.9	-3.06%	-434
PARENTS	59,509	30,573	51.4	60,843	29,909	49.2	-2.17%	-664
NORTHEAST-CENSUS	37,709	15,972	42.4	38,551	18,676	48.4	+16.93%	+2,704
MIDWEST	43,858	24,496	55.9	44,079	23,262	52.8	-5.04%	-1,234
SOUTH	61,120	28,810	47.1	62,458	26,657	42.7	-7.47%	-2,153
WEST	35,505	15,928	44.9	36,042	15,906	44.1	-0.14%	-22
HOUSEHOLD INCOME								
$60,000 OR MORE	19,957	11,276	56.5	31,937	17,769	55.6	+57.58%	+6,493
$50,000 OR MORE	31,697	17,907	56.5	47,508	26,115	55.0	+45.83%	+8,208
$40,000 OR MORE	53,998	30,375	56.3	68,804	36,902	53.6	+21.49%	+6,527
$30,000 OR MORE	83,793	46,284	55.2	96,864	51,153	52.8	+10.52%	+4,869
$30,000—$39,999	29,795	15,909	53.4	28,060	14,251	50,8	-10.42%	-1,658
$20,000—$29,999	34,040	16,300	47.9	30,796	14,217	46.2	-12.78%	-2,083
$10,000—$19,999	38,419	15,138	39.4	32,036	12,989	40.5	-14.20%	-2,149
UNDER $10,000	21,942	7,485	34.1	21,433	6,141	28.7	-17.96%	-1,344
HOUSEHOLD SIZE								
1 PERSON	22,006	8,757	39.8	23,081	9,086	39.4	+3.76%	+329
2 PEOPLE	57,453	28,131	49.0	59,128	28,164	47.6	+0.12%	+33
3 OR 4 PEOPLE	71,838	35,810	49.8	73,074	34,956	47.8	-2.38%	-854
5 OR MORE PEOPLE	26,898	12,509	46.5	25,847	12,295	47.6	-1.71%	-214
NO CHILD IN HOUSEHOLD	106,426	49,320	46.3	108,398	49,492	45.7	+0.35%	+172
CHILDREN UNDER 2 YEARS	14,122	6,841	48.4	15,433	7,134	46.2	+4.28%	+293
2—5 YEARS	26,410	13,332	50.5	25,280	12,758	50.5	-4.31%	-574
6—11 YEARS	33,165	16,181	48.8	33,718	16,578	49.2	+2.45%	+397
12—17 YEARS	33,008	16,718	50.6	32,401	15,586	48.1	-6.77%	-1,132
RESIDENCE OWNED	122,907	63,871	52.0	124,240	62,714	50.5	-1.81%	-1,157
VALUE $70,000 OR MORE	60,160	32,689	54.3	66,423	35,254	53.1	+7.85%	+2,565
LESS THAN $70,000	62,747	31,182	49.7	57,817	27,460	47.5	-11.94%	-3,722

Source: Simmons Market Research Bureau: 1989 & 1990 Study of Media and Markets.

SHELL ALPERT'S DIRECT MAIL
BALLPARK-BUDGET COSTIMATOR™

The sole purpose of the Costimator Tables shown here is to aid direct marketers in the initial stages of planning cost-effective direct mail campaigns. Because of production-cost variables (labor, materials, overhead, workload, markup, etc.), Costimator prices may be as much as 20% higher or lower than actual supplier quotations. Usually, however, mailers who seek competitive bids from different vendors—and who allow enough turnaround time for economical production—will be able to meet (or likely beat) these Costimator prices.

In some cases, dramatic cost reductions can be achieved by purchasing odd-lot, remnant, or surplus paper stocks (paper often accounts for 40% to 60% of printing costs)—or by scheduling out-of-season production runs (hungry suppliers may be more interested in recovering overhead expense than making a profit). Mail marketers are well-advised to obtain quotes not only from vendors, but also from printing brokers and production-oriented agencies. (They frequently know where the real "bargains" are hiding and waiting to be exploited.)

Costimator prices do not include creative costs (copy, design, layout, etc.), nor the expense of preparing camera-ready mechanical art (color separations, printing negatives, etc.). Likewise, expenditures for original illustrations and photography must also be added.

Source: Shell Alpert,
Alpert O'Neil Tigre & Co., 1991.

LITHO LETTERS (NOT PERSONALIZED)
COST PER THOUSAND

					COST PER THOUSAND			
FINISHED SIZE	ITEM	LEAVES/PAGES	STOCK	COLORS/SIDES	10M	50M	100M	300M
8-1/2" X 11"	Letter*	1/1	60# Offset	1/1	$34.15	$15.85	$12.48	$ 8.54
8-1/2" X 11"	Letter*	1/1	24# Rag Bond	1/1	41.10	19.26	15.06	10.27
8-1/2" X 11"	Letter*	1/1	60# Offset	2/1	42.85	15.20	11.92	8.54
8-1/2" X 11"	Letter*	1/1	24# Rag Bond	2/1	52.83	18.08	14.33	10.27
8-1/2" X 11"	Letter*	1/2	60# Offset	1/2	40.53	17.47	13.97	10.20
8-1/2" X 11"	Letter*	1/2	24# Rag Bond	1/2	48.39	20.96	16.71	12.61
8-1/2" X 11"	Letter*	1/2	60# Offset	2/2	67.46	18.68	14.70	10.20
8-1/2" X 11"	Letter*	1/2	24# Rag Bond	2/2	81.18	22.34	17.73	12.61
8-1/2" x 11"**	Letter*	2/4	60# Offset	1/2	65.66	27.14	23.27	18.94
8-1/2" x 11"**	Letter*	2/4	24# Rag Bond	1/2	79.35	32.56	33.31	22.76
8-1/2" x 11"**	Letter*	2/4	60# Offset	2/2	84.87	27.59	23.79	18.94
8-1/2" x 11"**	Letter*	2/4	24# Rag Bond	2/2	99.67	33.12	28.47	22.76

*Folded twice to fit #10 envelope.
**11" x 17" folded once to 8-1/2" x 11"

Source: Shell Alpert, Alpert O'Neil Tigre & Co., 1991.

COMPUTERIZED LETTERS (PERSONALIZED)

COST PER THOUSAND

MEGATYPING(a)					COST PER THOUSAND	
FINISHED SIZE	ITEM	LEAVES/PAGES	STOCK	COLORS/SIDES	50M	100M
8-1/2" x 11"*	Letter	1/1	60# Offset	1/1	$146.71	$100.92
8-1/2" x 11"*	Letter	1/1	24# Rag Bond	1/1	150.02	103.26
8-1/2" x 11"*	Letter	1/1	60# Offset	2/1	148.86	102.89
8-1/2" x 11"*	Letter	1/1	24# Rag Bond	2/1	152.21	104.55
	Letter					
8-1/2" x 11"*	Letter	2/2	60# Offset	1/1 ea.	202.09	197.87
8-1/2" x 11"*	Letter	2/2	24# Rag Bond	1/1 ea.	207.17	201.47
8-1/2" x 11"*	Letter	2/2	60# Offset	2/1 ea.	205.10	199.86
8-1/2" x 11"*	Letter	2/2	24# Rag Bond	2/1 ea.	209.18	203.00

XEROX 9700(b)					COST PER THOUSAND	
FINISHED SIZE	ITEM	LEAVES/PAGES	STOCK	COLORS/SIDES	50M	100M
8-1/2" x 11"*	Letter	1/1	60# Offset	1/1	$56.47	$47.92
8-1/2" x 11"*	Letter	1/1	24# Rag Bond	1/1	59.69	50.30
8-1/2" x 11"*	Letter	1/1	60# Offset	2/1	57.71	49.57
8-1/2" x 11"*	Letter	1/1	24# Rag Bond	2/1	61.31	51.76
	Letter					
8-1/2" x 11"*	Letter	2/2	60# Offset	1/2 ea.	96.45	89.05
8-1/2" x 11"*	Letter	2/2	24# Rag Bond	1/2 ea.	99.25	91.27
8-1/2" x 11"*	Letter	2/2	60# Offset	2/2 ea.	100.38	89.75
8-1/2" x 11"*	Letter	2/2	24# Rag Bond	2/2 ea.	103.40	92.59

IBM LASER(c)					COST PER THOUSAND	
FINISHED SIZE	ITEM	LEAVES/PAGES	STOCK	COLORS/SIDES	50M	100M
8-1/2" x 11"*	Letter	1/1	60# Offset	1/1	$47.84	$40.01
8-1/2" x 11"*	Letter	1/1	24# Rag Bond	1/1	57.95	49.20
8-1/2" x 11"*	Letter	1/1	60# Offset	2/1	51.03	41.97
8-1/2" x 11"*	Letter	1/1	24# Rag Bond	2/1	62.35	51.07
	Letter					
8-1/2" x 11"*	Letter	1/2	60# Offset	1/2	54.19	43.72
8-1/2" x 11"*	Letter	1/2	24# Rag Bond	1/2	65.30	53.15
8-1/2" x 11"*	Letter	1/2	60# Offset	2/2	60.03	47.02
8-1/2" x 11"*	Letter	1/2	24# Rag Bond	2/2	74.01	57.44

*Folded to fit #10 envelope.

(a) Produced by computer driven typewriters, indistinguishable from hand-typing, superb quality.

(b) Sheetfed laser process, very clean and sharp, close to word-processing quality (but may "crack" on foldlines).

(c) Better than old-style impact processes, but still has computerized look; tractor fed, requires continuous forms.

Prices for all computerized letters include litho-printed letterheads and signatures in 1 or 2 colors. Possible charges for data conversion, reformatting tapes, special programming, embedded variables, etc., are not included.

Source: Shell Alpert, Alpert O'Neil Tigre & Co., 1991.

CARRIER ENVELOPES
STOCK 24# WHITE WOVE
COST PER THOUSAND

NO.	SIZE	STYLE	COLOR	WINDOW	COST PER THOUSAND 10M	50M	100M
6-1/4	3-9/16" x 6"	Diagonal Seam	1	cello	$31.10	$15.97	$13.35
6-1/4	3-9/16" x 6"	Diagonal Seam	1	open	29.90	14.81	12.26
6-1/4	3-9/16" x 6"	Diagonal Seam	2	cello	33.44	16.47	13.76
6-1/4	3-9/16" x 6"	Diagonal Seam	2	open	32.37	15.32	12.72
9	3-7/8" x 8-7/8"	Diagonal Seam	1	cello	31.70	16.91	14.84
9	3-7/8" x 8-7/8"	Diagonal Seam	1	open	30.41	15.81	13.66
9	3-7/8" x 8-7/8"	Diagonal Seam	2	cello	33.95	17.38	15.20
9	3-7/8" x 8-7/8"	Diagonal Seam	2	open	32.72	16.17	14.05
10	4-1/8" x 9-1/2"	Diagonal Seam	1	cello	34.45	17.41	15.34
10	4-1/8" x 9-1/2"	Diagonal Seam	1	open	33.40	16.14	14.28
10	4-1/8" x 9-1/2"	Diagonal Seam	2	cello	37.05	17.88	15.75
10	4-1/8" x 9-1/2"	Diagonal Seam	2	open	35.68	16.59	14.56
—	6" x 9"	Booklet, open side	1	cello	74.00	49.71	47.10
—	6" x 9"	Booklet, open side	1	open	72.63	48.44	45.85
—	6" x 9"	Booklet, open side	2	cello	76.60	50.38	47.65
—	6" x 9"	Booklet, open side	2	open	75.28	49.12	46.25

NOTE: For closed-face (no window) envelope, deduct $1.25/M from open-window price.

Source. Shell Alpert, Alpert O'Neil Tigre & Co., 1991.

REPLY ENVELOPES
STYLE = DIAGONAL SEAM
STOCK = 24# WHITE WOVE
COST PER THOUSAND

NO.	SIZE	ITEM	COLOR	COST PER THOUSAND 10M	50M	100M
6-1/4	3-9/16" x 6"	BRE	1	$30.02	$14.96	$12.16
6-1/4	3-9/16" x 6"	BRE	2	32.47	15.26	12.56
7-3/4	3-7/8" x 7-1/2"	BRE	1	30.69	15.12	12.43
7-3/4	3-7/8" x 7-1/2"	BRE	2	33.02	15.58	12.79
10	4-1/8" x 9-1/2"	BRE	1	33.47	16.26	14.22
10	4-1/8" x 9-1/2"	BRE	2	35.97	16.74	14.63

Source: Shell Alpert, Alpert O'Neil Tigre & Co., 1991.

REPLY CARDS/ORDER FORMS
COST PER THOUSAND

FINISHED SIZE	ITEM	STOCK	COLORS/SIDES	COST PER THOUSAND 10M	50M	100M
5-1/2" x 3-1/2"	BRC	7 pt. Hi-Bulk	1/2	$25.75	$11.15	$9.25
5-1/2" x 3-1/2"	BRC	7 pt. Hi-Bulk	2/2	39.40	14.75	12.05
8-1/2" x 5-1/2"	BRC	7 pt. Hi-Bulk	1/2	40.55	19.10	15.70
8-1/2" x 5-1/2"	BRC	7 pt. Hi-Bulk	2/2	68.40	24.25	20.65
5-1/2" x 3-1/2"	Order Form	60# Offset	1/2	23.95	10.30	8.35
5-1/2" x 3-1/2"	Order Form	60# Offset	2/2	37.30	13.70	11.10
8-1/2" x 5-1/2"	Order Form	60# Offset	1/2	38.40	17.75	14.35
8-1/2" x 5-1/2"	Order Form	60# Offset	2/2	64.50	22.60	18.80

Source: Shell Alpert, Alpert O'Neil Tigre & Co., 1991.

SELF-MAILING FORMATS
COST PER THOUSAND

					COST PER THOUSAND		
FINISHED SIZE	ITEM	LEAVES/PANELS	STOCK	COLORS/SIDES	10M	50M	100M
3-1/2" x 6"	Double Card	2/4	65# Cover	1/2	$54.88	$20.71	$16.95
3-1/2" x 6"	Double Card	2/4	65# Cover	2/2	69.55	22.77	18.07
3-2/3" x 8-1/2"*	Self-Mailer	3/6	65# Cover	1/2	52.32	28.26	21.76
3-2/3" x 8-1/2"*	Self-Mailer	3/6	65# Cover	2/2	104.73	30.13	23.11
5-1/2" x 8-1/2"**	Self-Mailer	2/4	65# Cover	1/2	62.32	28.26	21.76
5-1/2" x 8-1/2"**	Self-Mailer	2/4	65# Cover	2/2	104.73	30.13	23.11
8-1/2" x 11"***	Self-Mailer	2/4	65# Cover	1/2	94.10	39.70	36.72
8-1/2" x 11"***	Self-Mailer	2/4	65# Cover	2/2	128.06	45.39	38.00
8-1/2" x 11"***	Self-Mailer	2/4	65# Cover	4/2	192.60	59.32	48.62

* 8-1/2" x 11" folded twice.
** 8-1/2" x 11" folded once.
*** 11" x 17" folded once.

Source: Shell Alpert, Alpert O'Neil Tigre & Co., 1991.

BROCHURES, FOLDERS, ETC.
COST PER THOUSAND

					COST PER THOUSAND			
FINISHED SIZE	ITEM	LEAVES/PANELS	STOCK	COLORS/SIDES	10M	50M	100M	300M
3-1/2" x 6"	Folder	2/4	60# Coated	1/2	$38.00	$27.50	$22.30	—
3-1/2" x 6"	Folder	2/4	60# Coated	2/2	66.75	34.50	26.05	—
5-1/2" x 8-1/2"	Brochure	2/4	60# Offset	1/2	40.10	18.93	14.90	—
5-1/2" x 8-1/2"	Brochure	2/4	60# Offset	2/2	68.35	19.87	15.65	—
5-1/2" x 8-1/2"	Brochure	2/4	60# Offset	4/2	99.40	34.40	22.15	—
8-1/2" x 11"	Brochure	2/4	60# Offset	1/2	65.85	27.85	24.25	20.72
8-1/2" x 11"	Brochure	2/4	60# Offset	2/2	83.15	28.30	24.95	21.05
8-1/2" x 11"	Brochure	2/4	60# Offset	4/2	101.50	37.40	31.25	24.25
8-1/2" x 11"		*/8	60# Coated	2/2	154.50	86.50	72.00	57.47
8-1/2" x 11"	Broadside	*/8	60# Coated	4/2	223.20	105.40	80.10	60.10
8-1/2" x 11"	Broadside	*/8	80# Coated	2/2	171.70	98.00	79.95	64.45
8-1/2" x 11"	Broadside	*/8	80# Coated	4/2	240.25	118.20	89.35	66.80

* 22" x 17" folded twice to form eight 8-1/2" x 11" panels; same as 8-page booklet, but not trimmed & stitched.

Source: Shell Alpert, Alpert O'Neil Tigre & Co., 1991.

BIND-IN REPLY FORMATS
(2 PAGES & ENVELOPE)
COST PER THOUSAND

				COST PER THOUSAND		
FLAT SIZE	FINISHED SIZE	ITEM	STOCK	10M	50M	100M
8-1/2" x 13"	8-1/2" x 6-1/2"	Bind-In Env./Ord. Form	50# Offset	$50.16	$18.98	$13.46
8-1/2" x 17"	8-1/2" x 8-1/2"	Bind-In Env./Ord. Form	50# Offset	51.09	34.22	23.37

NOTE: Press-finished bind-ins (such as above) are available in numerous sizes and styles, with one or two made-up envelopes and two-page or multi-page order forms and promo panels; can be printed and bound, in line, with booklets or catalogs on web presses, or stitched-in during separate bindery operation.

Source: Shell Alpert, Alpert O'Neil Tigre & Co., 1991.

LETTERSHOP OPERATIONS
COST PER THOUSAND

INSERTED IN #10 ENVELOPES*	COST PER THOUSAND 20-25M	COST PER THOUSAND MORE THAN 25M
ONE ITEM	$26.00	$22.00
TWO ITEMS	26.00	22.00
THREE ITEMS	26.00	22.00
FOUR ITEMS	30.00	24.50
FIVE ITEMS	30.00	24.50
SIX ITEMS	30.00	24.50
INSERTED IN 6" X 9" ENVELOPES*		
ONE ITEM	$28.00	$25.50
TWO ITEMS	28.00	25.50
THREE ITEMS	28.00	25.50
FOUR ITEMS	36.00	29.00
FIVE ITEMS	36.00	29.00
SIX ITEMS	36.00	29.00
POSTAL METERING @ $2/M.		
MACHINE STAMP AFFIXING @ $5/M		

*Includes insertion of prefolded elements, labeling, sealing, tieing, bagging and mailing via regular third-class bulk rate. (Assuming 4-up Cheshire labels supplied in Zip Code sequence.)

Source: Shell Alpert, Alpert O'Neil Tigre & Co., 1991.

MISCELLANEOUS DIRECT MAIL ITEMS
COST RANGES

DIRECT MAIL ITEMS	COST RANGE
Keypunching Names/Addresses (from hard copy) to Produce Computer Mailing List	$115/M—$150/M
Above with Verification	$195/M—$280/M
Type-and-Scan Names/Addresses to Produce Computer Mailing List	$ 40/M—$ 75/M
Print and Affix Peel-Off Cards, Thin Gauge	$ 55/M—$ 95/M
Emboss Type or Logo, Blind	$ 9/M—$ 20/M
Emboss Type or Logo, Foil	$ 14/M—$ 30/M
Embossing Dies, Small	$200—$450 ea.
Special Envelope Window Dies	$225—$475 ea.
Special "Lined" Cheshire Labels	$ 5/M—$ 7/M
Piggyback (Peel-Off Labels)	$ 6/M—$ 8/M
Serial Numbering	$ .70/M—$.95/M

Source: Shell Alpert, Alpert O'Neil Tigre & Co., 1991.

DIRECT MAIL—SAMPLE WORKING BUDGET

Great North American Widget Corporation
Consumer Solo-Mailing Campaign
Two-for-One Widget Offer
(Approx. Net Quantity, 100,000 [100M]; Scheduled Drop Date, 7/30/91)
WORKING BUDGET
Prepared by Frank N. Stine, Mar. 15, 1991

A. CREATIVE		
1. Preliminary roughs and dummies	$ 200.00	
2. Copy, including revises	2,750.00	
3. Tight comp. layouts	750.00	
4. Contingency reserve	355.00	
TOTAL	$ 4,055.00	(5.3%)
B. ART & PREPARATION		
1. Mechanical art & preparation	$ 1,000.00	
2. Typography, including AAs	1,250.00	
3. Repros, pos, prints, reading copies, etc.	175.00	
4. Line illustrations (7)	280.00	
5. Photography	900.00	
6. Model fees	350.00	
7. Color separations (2)	900.00	
8. Colorkey proofs	250.00	
9. Stripped-in print films	380.00	
10. Contingency reserve	$ 1,000.00	
TOTAL	$ 6,485.00	(8.6%)
C. PRINTING PRODUCTION		
1. 4-pg. litho let., 8-1/2 x 11", 2 colors* (105M @ $23.79/M)	$ 2,497.95	
2. 16-pg. booklet, 5-1/2" x 8-1/2", 4 colors* (105M @ $90.50/M	9,502.50	
3. Reply card, 3-1/2" x 5-1/2", 2 colors (105M @ $12.05/M)	1,265.25	
4. BRE, #7-3/4, one color (105M @ $12.27/M)	1,288.35	
5. Outer env., 6" x 9", 2 color, cello wind. (105M @ $46.75/M)	4,908.75	
6. Contingency reserve	2,000.00	
TOTAL	$ 21,462.80	(28.3%)
D. MAILING LISTS		
1. Mail order respondents (tape) 70M* @ $85/M	$ 5,950.00	
2. Active magazine subs (tape) 45M* @ $55/M	2,475.00	
3. Contingency reserve	1,000.00	
TOTAL	$ 9,425.00	(12.4%)
E. COMPUTER PROCESSING		
1. Reformating, data conversion, etc.	$ 350.00	
2. Merge/Purge (115M @ $9.25/M)	1,063.75	
3. Code and run 4-up labels (100M @ $3.50/M)	350.00	
4. Reports & directory printout	175.00	
5. Contingency reserve	400.00	
TOTAL	$ 2,338.75	(3.1%)
F. LETTERSHOP PRODUCTION		
1. Insert, label, sort, mail, etc. (100M @ $28.25).	$ 2,825.00	
2. Affix bulk-rate stamps (100M @ $5/M)	500.00	
3. Audit & pull samples (100M @ $1.75/M)	175.00	
4. Contingency reserve	250.00	
TOTAL	$ 3,750.00	(4.9%)
G. ALLOCATED FEES		
1. Ad Agency	$ 6,000.00	
2. Consultant	1,500.00	
3. Contingency reserve	1,000.00	
TOTAL	$ 8,500.00	(11.2%)
H. POSTAGE		
1. 100M @ $198/M	$ 19,800.00	(26.1%)
BUDGETED GRAND TOTAL	$ 75,816.55	(100%)

*Folded NOTE: Freight charges included

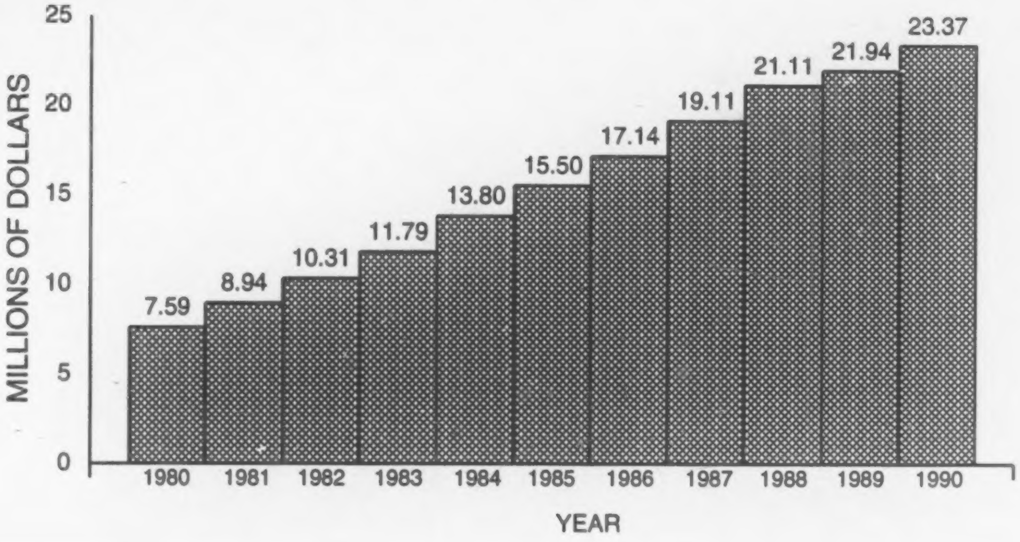
Budgeted Total without Cont. Reserves = $69,811.55

Source: Shell Alpert, Alpert O'Neil Tigre & Co., 1991.

ADVERTISING EXPENDITURES ON DIRECT MAIL

1980—1990

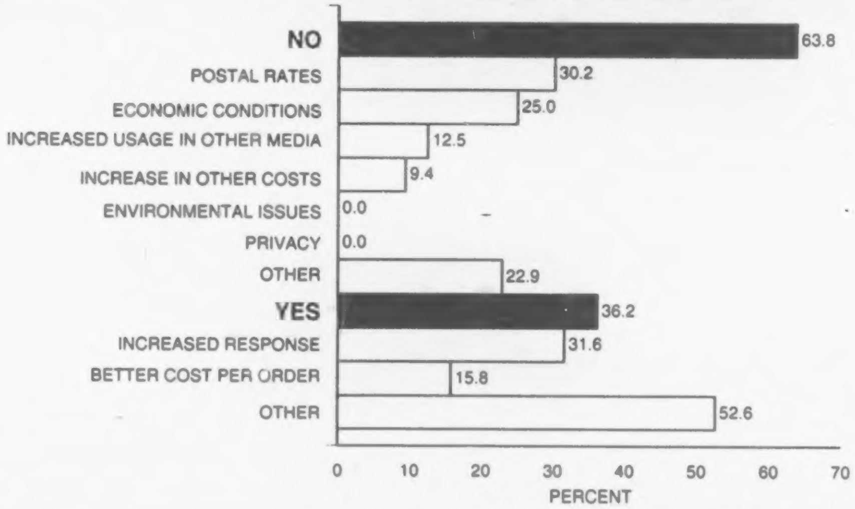
Advertising expenditures on direct mail increased 6.5% from 1989 to 1990



Source: Robert J. Coen, McCann-Erickson, Inc., 1991.

MAIL VOLUME: 1991 OUTLOOK

The Kleid Company conducted "1991—How Does It Look for Direct Marketers?" in early 1991 among 700 direct marketing executives via mail survey. The survey achieved a 13.4% response rate. Most direct marketers (63.8%) do not plan on increasing their mail volume in 1991. Reasons given for both increasing and decreasing mail volume are indicated below.



Source: The Kleid Company, Inc., 1991.

LEADING U.S. COMPANIES 1990 MAIL ORDER SALES

1990 Rank	Name of Company	1989 Rank	Sales Segment	Mail Order Sales (in millions)
1.	United States Services Automobile Association	2	Insurance	4,291.0
2.	J. C. Penney	1	General Merchandise, Insurance	3,315.0
3.	Time Warner	3	Books, Magazine Subscriptions, Cable TV	2,783.8
4.	American Association of Retired Persons	83T	Health, Insurance, Magazines	2,700.0
5.	Tele-Communications	*	Cable TV	2,601.9
6.	Sears, Roebuck & Company	6	General Merchandise, Insurance, Auto Clubs	2,214.5
7.	Reader's Digest	4	Books, Collectibles, General Merchandise, Magazine Subscriptions	1,756.9
8.	A T & T	11	Business Services, Consumer Electronics	1,613.2
9.	GEICO	7	Insurance	1,572.0
10.	MCI	12	Business Services	1,420.0
11.	Otto Versand	9	General Merchandise, Sporting Goods, Apparel	1,414.8
12.	Primerica	10	Food, General Merchandise, Industrial, Insurance	1,286.8
13.	US Sprint/Telecom	*	Business Services	1,140.0
14.	Marmon Holdings	*	Consumer Services	1,100.0
15.	American Automobile Assoc.	13	Auto Clubs, Insurance	1,030.0
16.	Home Shopping Network	17	Apparel, Health, General Merchandise	1,008.3
17.	FPL Group	16	Insurance	943.7
18.	Comcast Cable	15	Cable TV	930.3
19.	UA Cablesystems	20	Cable TV	787.2
20.	Continental Cablevision	21	Cable TV	784.3
21.	QVC Network	14	General Merchandise	776.0
22.	American Express	23	General Merchandise, Insurance, Magazines	715.7
23.	U.S. Government	22	Business Services, Collectibles, Health, Educational Services	684.0
24.	Federal Express	26	Business Services	670.0
25.	Campeau	18	Apparel, General Merchandise	668.1
26.	20th Century Industries	24	Insurance	657.7
27.	May Department Stores	25	General Merchandise	614.8
28.	Lands' End	28	Sporting Goods	575.0
29.	Bass Pro Shops	*	Sporting Goods	560.0
30.	General Cinema	30	Apparel, General Merchandise, Gifts	550.9
31.	R. H. Macy	34	General Merchandise, Health	547.8
32.	Dell Computer Corp.	63	Consumer Electronics	546.0

(continued)

LEADING U.S. COMPANIES 1990 MAIL ORDER SALES (CONTINUED)

1990 Rank	Name of Company	1989 Rank	Sales Segment	Mail Order Sales (in millions)
33.	L. L. Bean	29	Sporting Goods	528.0
34.	Limited, Inc.	31	Apparel	527.5
35.	Horn & Hardart	42	Apparel, Gardening, General Merchandise, Gifts, Sporting Goods	525.0
36.T	American Protection Indus.	32T	Collectibles, Records	500.0
36.T	Omega Scientific	32T	Industrial	500.0
38.	Capital Holding	27	Insurance	494.4
39.	Digital Equipment Corp.	35	Business Supplies	480.0
40.	New Process Co.	38	Apparel	478.3
41.	Cox Enterprises	39	Cable TV	461.4
42.	Storer Communications	*	Cable TV	459.3
43.	IBM	44T	Business Supplies, General Merchandise	445.0
44.	Newhouse	8	Magazine Subscriptions, Cable TV, Books	442.8
45.	Cablevision Systems Dvlpmnt.	*	Cable TV	441.2
46.	H. R. Block	44T	Educational, General Merchandise	440.0
47.	Everex Computer Systems	60	Industrial	436.5
48.	Jones Spacelink	48	Cable TV	427.3
49.	Bertelsmann	47	Audio-Video, Books, Magazine Subscriptions, General Merchandise	425.6
50.	Times Mirror	37	Cable TV, Magazine Subscriptions	423.5
51.	McGraw Hill	43	Business Services	410.0
52.	Bradford Exchange	54	Collectibles, General Merchandise	383.8
53.	DeLuxe Corp.	81	Business Supplies, Stationery	378.4
54.	Montgomery Ward	51	General Merchandise, Financial Services, Auto Clubs	368.5
55.	Paramount Communications	36	Books, Business Services	339.0
56.	Premier Industrial	50	Industrial	327.1
57.	Cablevision Industries	59	Cable TV	313.0
58.	Medco Containment Services	76	Health	312.0
59.	Service Merchandise	52	General Merchandise	309.0
60.	McMaster Carr	*	Industrial	308.0
61.	Heritage Communications	*	Cable TV	307.6
62.	SONY	65T	Audio-Video, General Merchandise	303.0
63.	Viacom Cablevision	57	Cable TV	302.0
64.	Henry Schein Co.	69	Industrial	300.0
65.	Popular Services	71	Apparel	298.0
66.T	Aegon N.V. (Netherlands)	49	Insurance	297.9

(continued)

LEADING U.S. COMPANIES 1990 MAIL ORDER SALES (CONTINUED)

1990 Rank	Name of Company	1989 Rank	Sales Segment	Mail Order Sales (in millions)
66.T	Monumental General	*	Insurance	297.9
68.	New Hampton Group	56	Apparel, Toys	293.8
69.	Adelphia Communications	78	Cable TV	292.0
70.	News American Publishing	53	Magazine Subscriptions	291.5
71.	Charles Schwab & Co.	*	Financial	290.0
72.	Quill Corp.	58	Business Supplies	289.0
73.	INMAC	67	Business Supplies	288.4
74.	Compuadd	*	Business Supplies	280.0
75.	Physicians Mutual Insurance	61	Insurance	263.6
76.	Sammons Communications	70	Cable TV	263.2
77.	Century Communications	72	Cable TV	254.9
78.	Meredith	62	Books, Magazine Subscriptions	253.6
79.	Publishers Clearing House	65T	Magazine Subscriptions, General Merchandise	250.0
80.	Falcon Communications	82	Cable TV	236.8
81.	BATUS	40	General Merchandise	234.8
82.	Sara Lee	75	Apparel, Food, Home Furnishings	234.5
83.	New England Business Service	74	Business Supplies	233.1
84.	Washington Post	77	Magazine Subscriptions, Cable TV	226.3
85.	Field Corp.	64	Books, Food, Children's Toys	223.6
86.	Carter Hawley Hale	80	General Merchandise	214.5
87.	Nordstrom	*	General Merchandise	200.3
88.T	Comp-U-Card	83T	General Merchandise	200.0
88.T	Rodale Press	*	Books, Magazine Subscriptions	200.0
90.	Commerce Clearing House	86	Business Services	199.7
91.	Continental Dynamics	87	Business Supplies, Industrial	195.0
92.	Direct Marketing Enterprises	*	Collectibles, Jewelry	190.0
93.	Teachers Insurance & Annuity	98	Insurance	188.8
94.	National Geographic Society	94	Magazine Subscriptions, Business Supplies	188.2
95.	Arizona Mail Order	91T	Apparel, Gifts, Home Furnishings	185.0
96.	Telecable Corp.	*	Cable TV	183.2
97.	Minnesota Mutual Life Insurance Co.	95	Insurance	181.0
98.	Synchronal Research	*	General Merchandise	180.0
99.	Dreyfus Corporation	88	Financial Services	179.1
100.	Hachette	73	Books, Business Services, Collectibles, General Merchandise, Magazine Subscriptions	177.0
101.	Citicorp	*	Financial, General Merchandise, Insurance	174.6

(continued)

LEADING U.S. COMPANIES 1990 MAIL ORDER SALES (CONTINUED)

1990 Rank	Name of Company	1989 Rank	Sales Segment	Mail Order Sales (in millions)
102.	Viking Office Products	*	Business Supplies	174.2
103.	Mercantile Stores	96	General Merchandise	173.6
104.	Apple Computer	*	Gifts	173.4
105.	Jusco	91T	Apparel	173.0
106.	Cigna Insurance	*	Insurance	172.1
107.	Best Products	85	General Merchandise	167.0
108.	Lillian Vernon	*	General Merchandise	165.0
109.	Scripps Howard	*	Cable TV	164.4

NOTES:
* denotes that company was not among the top U.S. companies in worldwide sales in 1989.
T after ranking indicates a tie for that place.

Source: 1990 Guide to Mail Order Sales, Marketing Logistics, Inc., 1990.

The Household Diary Study is an annual market research study of mail originating or destinating in households. This study now provides a continuous comprehensive description of the household portion of the mailstream. Data are collected on a Postal Year basis.

The Household Diary Study surveys over 5,300 households a year, each of which is given an entry interview and then asked to keep a week-long record of every mail piece received or sent by the household. Information collected includes mail class and subclass, identity (by sector and industry) of mail senders and recipients, content, household attitude towards mail, and household demographics.

USAGE OF ZIP CODE ON THIRD-CLASS MAIL BY SHAPE OF MAIL PIECE

POSTAL YEAR 1989
(PERCENTAGE OF MAIL RECEIVED BY HOUSEHOLDS)

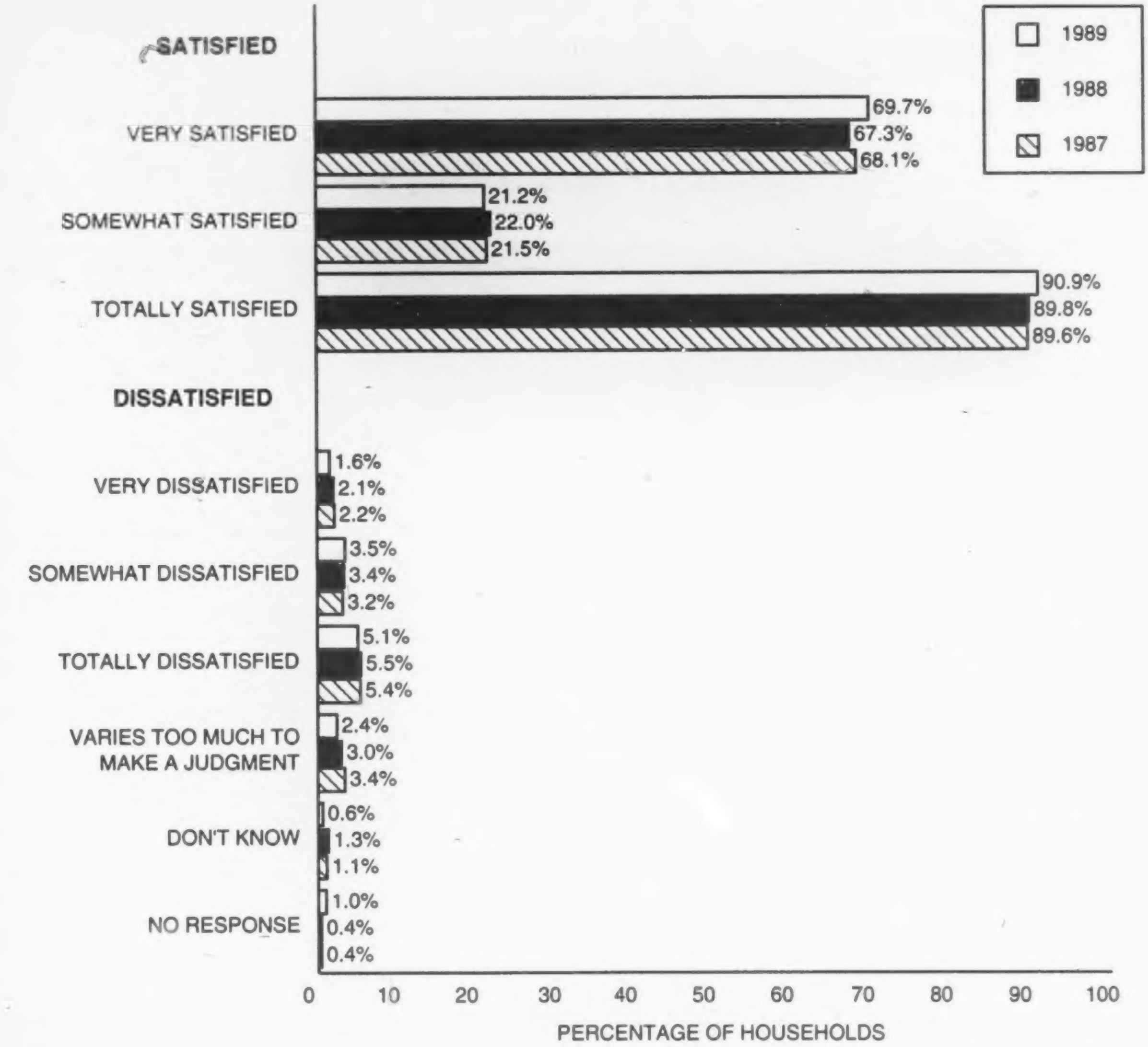
	Letter-Size Envelope	Larger Than Letter Envelope	Detached Label Card	Post-Card	Catalog In An Envelope	Catalog Not In Envelope	Flyers	Newspapers/ Magazines	Total
5 Digits	83.6	85.9	98.4	89.4	88.1	90.0	83.7	76.6	85.7
Zip + 4	13.5	11.4	0.7	8.1	11.2	8.5	4.1	6.3	8.2
Zip Not Included	0.5	0.4	0.7	1.1	0.1	1.3	11.4	15.8	4.5
Don't Know/No Response	2.4	2.3	0.1	1.3	0.6	0.2	0.7	1.3	1.6
Total Mail Received by Households	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: USPS Household Diary Study, 1990.

SATISFACTION WITH MERCHANDISE RECEIVED THROUGH THE MAIL

(ANSWERED ONLY IF ORDERED IN PAST YEAR)

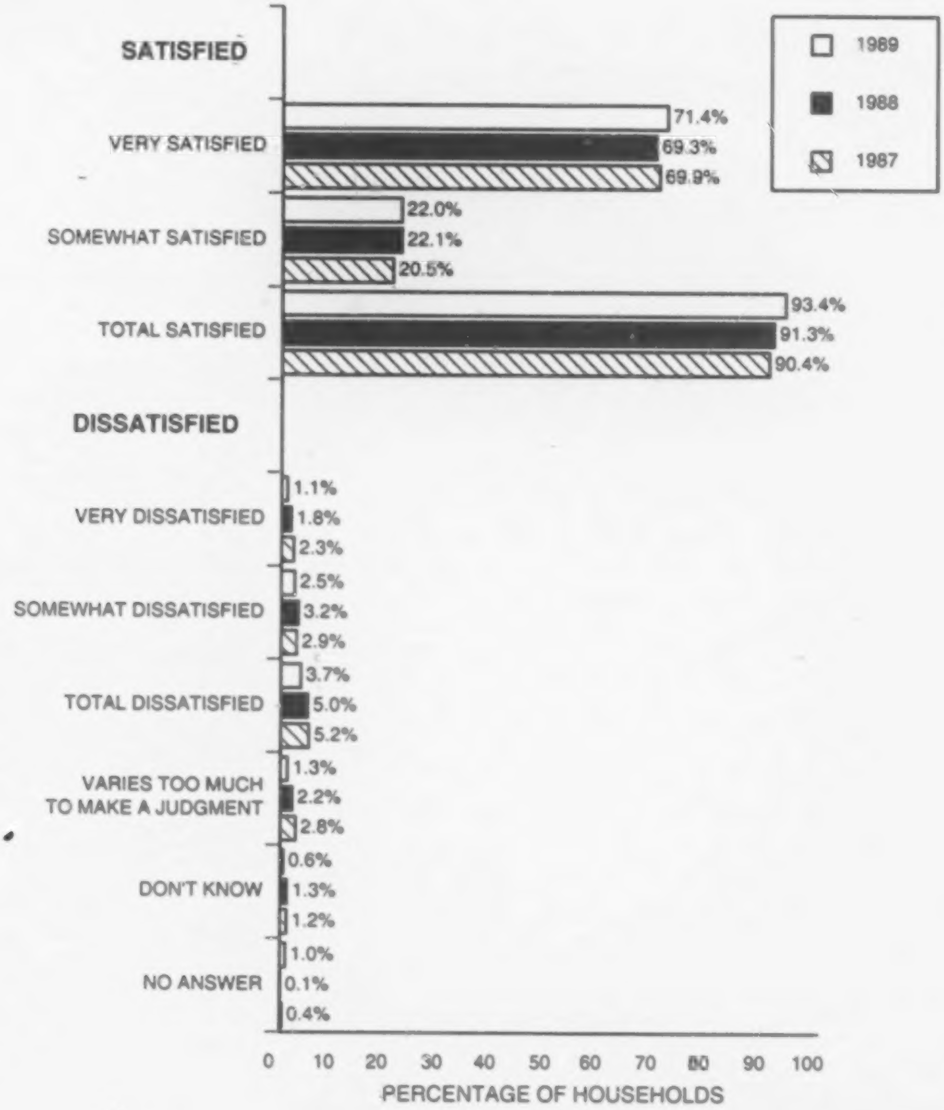
POSTAL YEARS 1987, 1988 & 1989



Source: USPS Household Diary Study, 1988, 1989, 1990.

SATISFACTION WITH SERVICE FROM COMPANY HOUSEHOLD DID MAIL-ORDER BUSINESS WITH

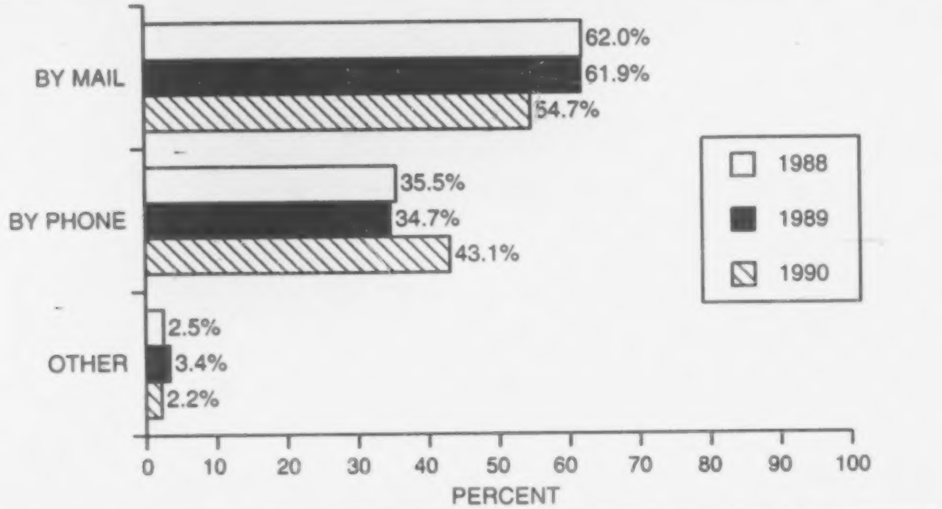
(ONLY ANSWERED IF ORDERED IN PAST YEAR)
POSTAL YEARS 1987, 1988 AND 1989



Source: USPS Household Diary Study, 1988, 1989, 1990.

MEDIA CHOICE FOR RESPONDING TO MAIL ORDER OFFERS

POSTAL YEARS 1988, 1989, & 1990
(PERCENTAGE OF ORDERS)



Source: USPS Household Diary Study, 1989, 1990, 1991.

MAJOR REASONS* FOR CARRIER PREFERENCE

(OF HOUSEHOLDS THAT ORDERED PURCHASES WITHIN THE PAST YEAR)
(PERCENTAGE OF HOUSEHOLDS GIVING EACH REASON)

POSTAL YEARS 1987, 1988 AND 1989

POSTAL SERVICE	PERCENTAGE OF HOUSEHOLDS PREFERRING THE POSTAL SERVICE		
REASONS	**1987**	**1988**	**1989**
RELIABLE	21.8	18.8	21.1
DON'T HAVE TO BE HOME	15.4	15.3	15.3
MAIL COMES SAME TIME EACH DAY	11.5	9.7	10.7
LESS OPPORTUNITY FOR THEFT	11.8	13.9	14.9
LEAVE SLIP FOR PICKUP	7.7	11.6	12.3
POST OFFICE CLOSER FOR PICKUP	10.7	8.9	5.3

UNITED PARCEL SERVICE	PERCENTAGE OF HOUSEHOLDS PREFERRING THE UNITED PARCEL SERVICE		
REASONS	**1987**	**1988**	**1989**
FASTER	25.0	22.9	25.8
DELIVERY TO DOOR	20.2	21.4	22.6
LEAVE PKGS WHEN RECIPIENT ISN'T IN	14.8	14.7	13.6
RELIABLE	14.6	18.4	13.3
PKGS IN BETTER CONDITION	12.1	13.6	14.0
DON'T HAVE TO GO TO POST OFFICE FOR PICKUP	11.5	16.1	13.2
LESS EXPENSIVE	10.9	9.4	9.7

*HOUSEHOLDS COULD GIVE MORE THAN ONE REASON

Source: USPS Household Diary Study, 1988, 1989, 1990.

NUMBER OF MAIL ORDER PURCHASES*
WITHIN THE LAST YEAR BY EDUCATION OF HOUSEHOLD HEAD
POSTAL YEARS 1987, 1988, 1989 AND 1990
(PERCENTAGE OF HOUSEHOLDS)

POSTAL YEARS 1987, 1988, 1989** AND 1990**

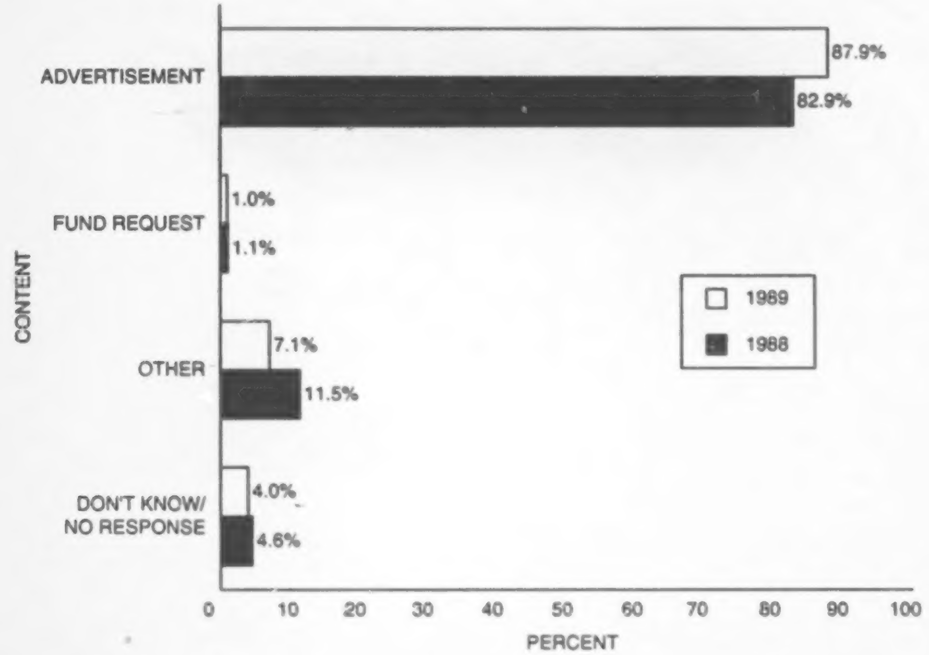
Number of	<8th Grade				Some High School				High School				Some College			
Purchases	1987	1988	1989	1990	1987	1988	1989	1990	1987	1988	1989	1990	1987	1988	1989	1990
0	65.5	66.7	64.4	72.6	53.9	58.3	48.0	60.8	41.7	46.2	46.0	49.7	38.0	40.7	40.4	42.3
1—2	14.8	12.9	13.8	12.9	16.8	16.6	20.8	18.2	22.5	22.2	17.2	22.3	20.7	21.3	20.5	18.7
3—5	10.7	10.9	12.3	6.4	17.2	14.7	10.1	13.1	19.0	14.8	18.8	14.3	22.0	17.6	19.3	18.2
6—10	4.7	8.3	6.5	3.5	6.1	6.5	9.2	5.0	9.1	9.2	10.5	8.0	11.1	12.1	10.6	10.6
11—15	2.9	0.4	0.9	2.5	2.4	2.2	4.9	1.3	4.1	3.0	2.8	2.3	2.7	3.6	3.7	4.9
16—30	0.5	0.7	0.1	0.1	1.1	1.1	1.6	1.4	2.4	3.0	2.5	1.7	2.8	2.5	2.7	2.8
30+	0.2	0.0	1.5	0.1	0.5	0.3	0.3	0.1	0.6	0.7	1.0	0.5	0.5	1.2	1.7	2.1
Don't Know/No Answer	0.7	0.2	0.6	1.8	2.1	0.5	1.0	0.2	0.8	1.0	1.3	1.0	2.1	1.1	1.0	0.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Number of	Tech School				College				Post Grad				Total			
Purchases	1987	1988	1989	1990	1987	1988	1989	1990	1987	1988	1989	1990	1987	1988	1989	1990
0	37.2	42.3	36.7	31.0	38.0	38.1	32.2	38.8	27.0	27.1	29.8	31.2	42.2	44.9	42.5	46.7
1—2	16.3	18.8	22.7	19.9	18.5	18.2	19.1	18.8	19.5	21.0	17.4	21.7	19.6	19.8	18.5	19.9
3—5	20.2	18.6	19.6	26.4	21.8	20.8	25.0	18.0	22.7	22.3	19.9	22.8	19.5	16.9	19.1	16.1
6—10	12.8	9.5	13.1	12.7	11.9	11.3	10.9	13.7	16.4	15.2	16.1	12.4	10.0	10.2	10.7	9.5
11—15	6.2	3.9	3.6	5.4	4.1	5.9	6.6	4.9	7.2	5.5	6.4	5.2	3.9	3.6	4.0	3.5
16—30	3.7	5.2	2.4	3.1	2.6	2.8	4.0	3.2	5.2	5.5	8.4	4.9	2.5	2.8	3.0	2.4
30+	2.6	0.6	0.8	1.4	0.9	1.9	1.3	5.7	1.1	2.6	1.1	1.5	0.7	1.2	1.1	1.0
Don't Know/No Answer	1.2	1.1	1.1	0.2	2.1	1.1	0.7	1.3	1.3	1.0	0.9	0.2	1.4	0.8	1.0	0.8
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

* = FROM ENTRY INTERVIEW
** = THE 1989 AND 1990 FIGURES ONLY REFLECT ORDERS MADE AS A RESULT OF RECEIVING SALES, ADVERTISING OR PROMOTIONAL MATERIAL IN THE MAIL

Source: USPS Household Diary Study, 1988, 1989, 1990, 1991.

THIRD-CLASS BULK REGULAR CONTENT OF MAILPIECE
(PERCENTAGE OF BULK REGULAR MAIL RECEIVED BY HOUSEHOLDS)
POSTAL YEARS 1988 & 1989



Source: USPS Household Diary Study, 1989 & 1990.

TOTAL DOMESTIC MAIL ORIGINATING IN HOUSEHOLDS AND NON-HOUSEHOLDS
POSTAL YEARS 1987, 1988, 1989 AND 1990

	PERCENTAGE OF TOTAL DOMESTIC MAIL				PIECES PER HOUSEHOLD PER WEEK			
	1987	**1988**	**1989**	**1990**	**1987**	**1988**	**1989**	**1990**
Household to Household	4.8	4.5	4.5	4.2	1.6	1.5	1.5	1.4
Household to Nonhousehold	6.4	6.8	8.7	7.4	2.1	2.3	2.9	2.5
Nonhousehold to Household	55.5	56	57.8	56.1	18.5	18.8	19.3	19.2
Federal Government to Household	1.1	1.4	1.2	1.2	0.4	0.5	0.4	0.4
Unknown Incoming	0.3	0.4	0.6	0.4	0.1	0.1	0.2	0.1
Unknown Outgoing	1	0.4	0.0	0.0	0.3	0.1	0.0	0.0
Total Household Mail	69.1	69.6	72.7	69.3	23	23.4	24.3	23.7
Nonhousehold to Nonhousehold	30.9	30.4	27.3	30.7	—	—	—	—
Total	100.0	100.0	100.0	100.0	—	—	—	—

Source: USPS Household Diary Study, 1988, 1989, 1990, 1991.

NUMBER OF DIRECT MAIL ADVERTISING SERVICES BY STATE

The U. S. Bureau of Census defines direct mail advertising services as establishments primarily engaged in furnishing services for direct mail advertising, such as creating, producing, and mailing of direct mail advertising. This industry also includes establishments primarily engaged in compiling and selling mailing lists. Establishments primarily engaged in reproducing direct mail copy on order, but performing none of the other direct mail advertising services, are classified in Manufacturing, Industry Group 275 if they print the copy, and in Industry 7334 if they duplicate the copy by photocopying or similar reproduction methods. This category (SIC 7331) includes: address list compilers, addressing service, direct mail advertising service, mail advertising service, mailing list compilers, and mailing service.

Geographic Area	#Establishments	Receipts ($1,000)
United States	**3 512**	**4 097 739**
Alabama	29	13 025
Alaska	7	(D)
Arizona	60	47 900
Arkansas	18	10 104
California	510	548 472
Colorado	61	26 529
Connecticut	86	114 927
Delaware	9	(D)
District of Columbia	16	(D)
Florida	183	122 960
Georgia	67	71 947
Hawaii	6	1 653
Idaho	5	988
Illinois	236	399 458
Indiana	37	25 584
Iowa	24	64 382
Kansas	35	47 555
Kentucky	16	33 879
Louisiana	22	5 677
Maine	5	1 539
Maryland	91	129 517
Massachusetts	104	107 614
Michigan	99	118 012
Minnesota	73	73 192
Mississippi	7	(D)

	#Establishments	Receipts ($1,000)
Missouri	68	68 263
Montana	4	834
Nebraska	30	43 356
Nevada	13	7 385
New Hampshire	17	10 099
New Jersey	161	310 845
New Mexico	13	4 286
New York	412	762 108
North Carolina	67	76 577
North Dakota	6	894
Ohio	134	117 079
Oklahoma	36	16 982
Oregon	41	26 971
Pennsylvania	168	231 004
Rhode Island	7	3 951
South Carolina	27	4 660
South Dakota	3	234
Tennessee	47	30 808
Texas	200	172 983
Utah	20	12 247
Vermont	10	13 908
Virginia	116	98 229
Washington	45	30 248
West Virginia	9	5 556
Wisconsin	51	36 582
Wyoming	1	(D)

NOTE: (D) denotes figures withheld to avoid disclosure of operations of individual establishments

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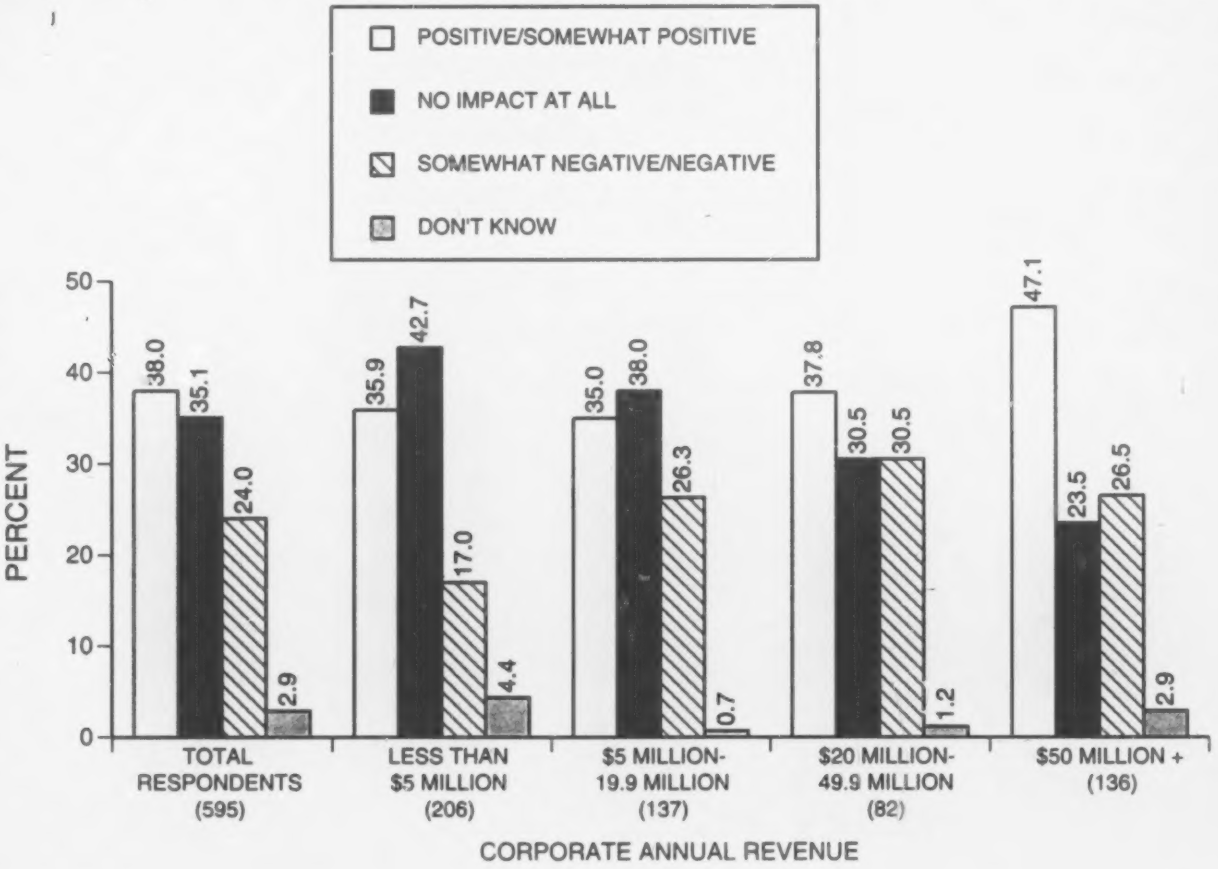
Source: U.S. Census Bureau, 1987 Census of Business (figures released in June 1990).

In March, 1990, the Direct Marketing Association formed an industry Task Force on Environmental Issues in order to identify ways in which direct marketers can support environmentally sound practices. The following charts are taken from a study that was designed to determine DMA voting members' awareness of environmental questions as they relate to their business. In May, 1990, a questionnaire was sent to 2,881 DMA voting members. A 20.6% response rate was achieved.

PERCEIVED IMPACT OF DIRECT MARKETING ON ENVIRONMENTAL ISSUES

DMA members were asked to indicate the overall impact they believe their organization has on environmental problems. Respondents are about equally divided in the belief that their organization has a positive/somewhat positive impact or that it has no impact at all on environmental problems.

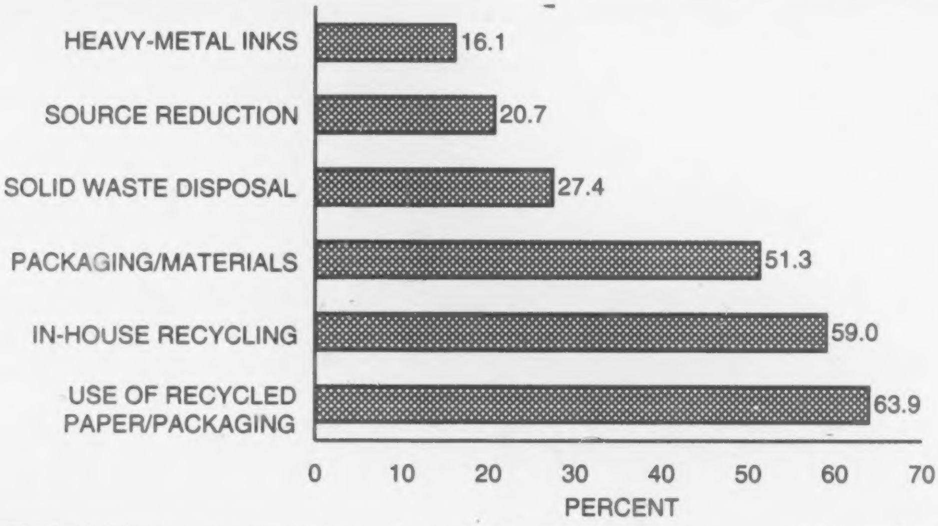
A more detailed analysis by size of firm indicates those with greater annual revenues tend to have less of a perception that their organization has no impact at all on environmental problems.



Source: DMA Environmental Task Force/DMA Research Department, 1990.

ENVIRONMENTAL ISSUES RELATING DIRECTLY TO DIRECT MARKETERS' BUSINESS

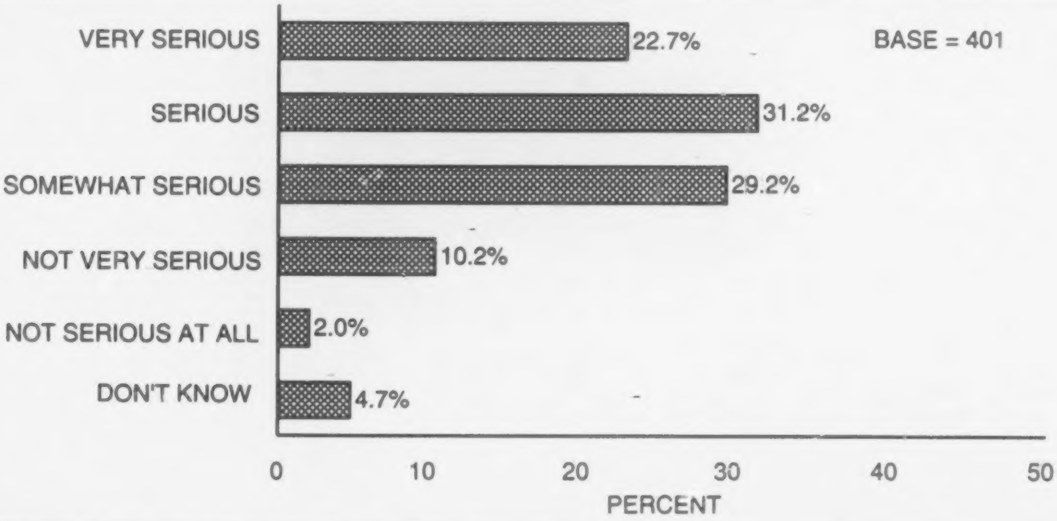
The use of recycled paper/packaging, in-house recycling, and packaging/materials are the top three environmental issues cited which relate directly to the manner in which respondents' businesses operate. Issues cited less frequently by respondents were solid waste disposal, source reduction, and heavy-metal inks.



Source: DMA Environmental Task Force/DMA Research Department, 1990.

SERIOUSNESS OF ENVIRONMENTAL ISSUES AFFECTING DIRECT MARKETERS' BUSINESS

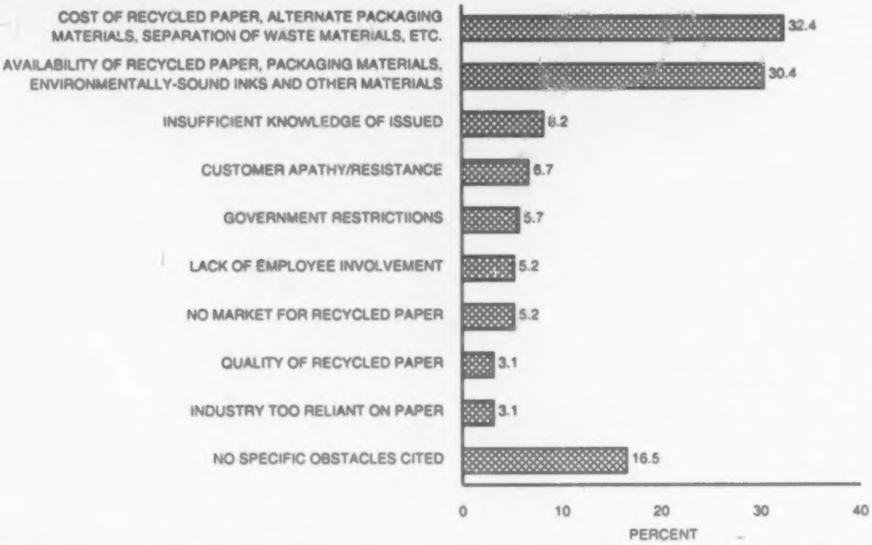
Respondents who indicated that environmental issues represent specific business questions affecting their organization were asked to rate how serious they consider these issues to be. More than half (53.9%) consider environmental issues to be "very serious" or "serious" to their business.



Source: DMA Environmental Task Force/DMA Research Department, 1990.

OBSTACLES TO SOLVING ENVIRONMENTALLY RELATED BUSINESS PROBLEMS

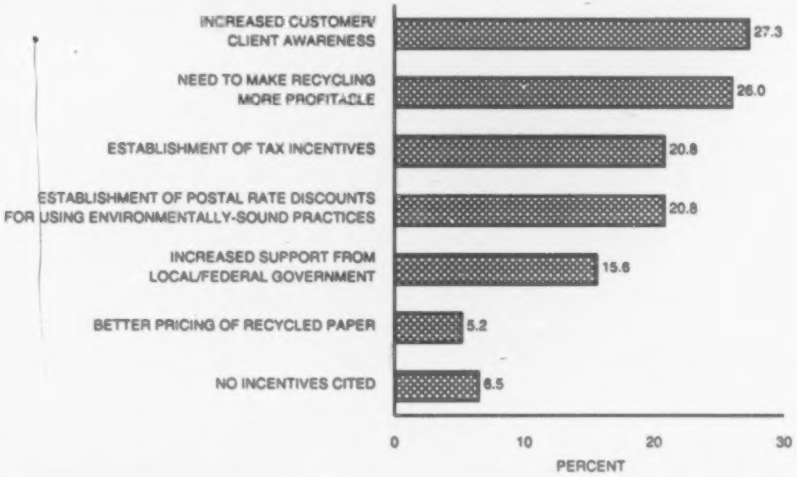
One firm in three reports it is encountering obstacles while trying to solve environmentally related business problems. When asked to identify the obstacles faced, cost was mentioned most frequently (32.4%), followed by the need for better availability of recycled or environmentally safe materials (30.4%).



Source: DMA Environmental Task Force/DMA Research Department, 1990.

INCENTIVES TO OVERCOME OBSTACLES REGARDING ENVIRONMENTALLY RELATED BUSINESS PROBLEMS

Among firms citing obstacles, the majority (60.3%) indicated there are no incentives, or none of which they are aware, which might help them overcome such obstacles in trying to solve environmentally related business problems. Thirty-nine percent, however, indicated there are incentives which would help.



Source: DMA Environmental Task Force/DMA Research Department, 1990.

CUSTOMER COMPLAINTS/CONCERNS REGARDING ENVIRONMENTAL ISSUES

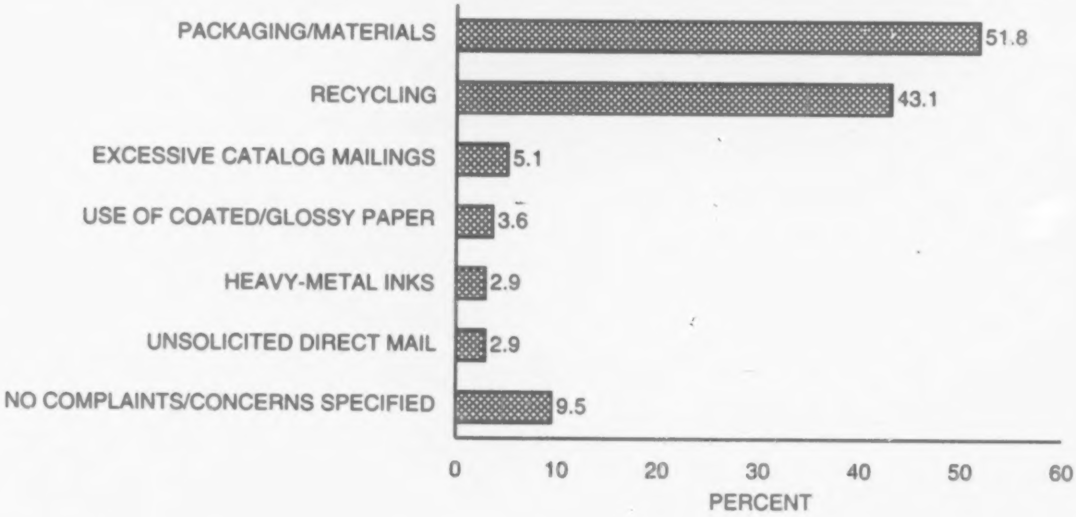
Overall, DMA members received a median of 10 complaints from customers during the first five months of the year. A detailed analysis by size of firm reveals corresponding increases in the number of complaints/concerns with increases in annual revenue.

Received complaints/concerns	23.0%
Did not receive complaints/concerns	72.5%
Don't know/no answer	4.5%
Mean	26.6%
Median	10.0

Source: DMA Environmental Task Force/DMA Research Department, 1990.

TOPICS OF CUSTOMER-EXPRESSED ENVIRONMENTALLY RELATED COMPLAINTS/CONCERNS*

According to respondents, complaints/concerns focus primarily on packaging/materials and recycling issues, with 51.8% and 43.1% indicating, respectively.

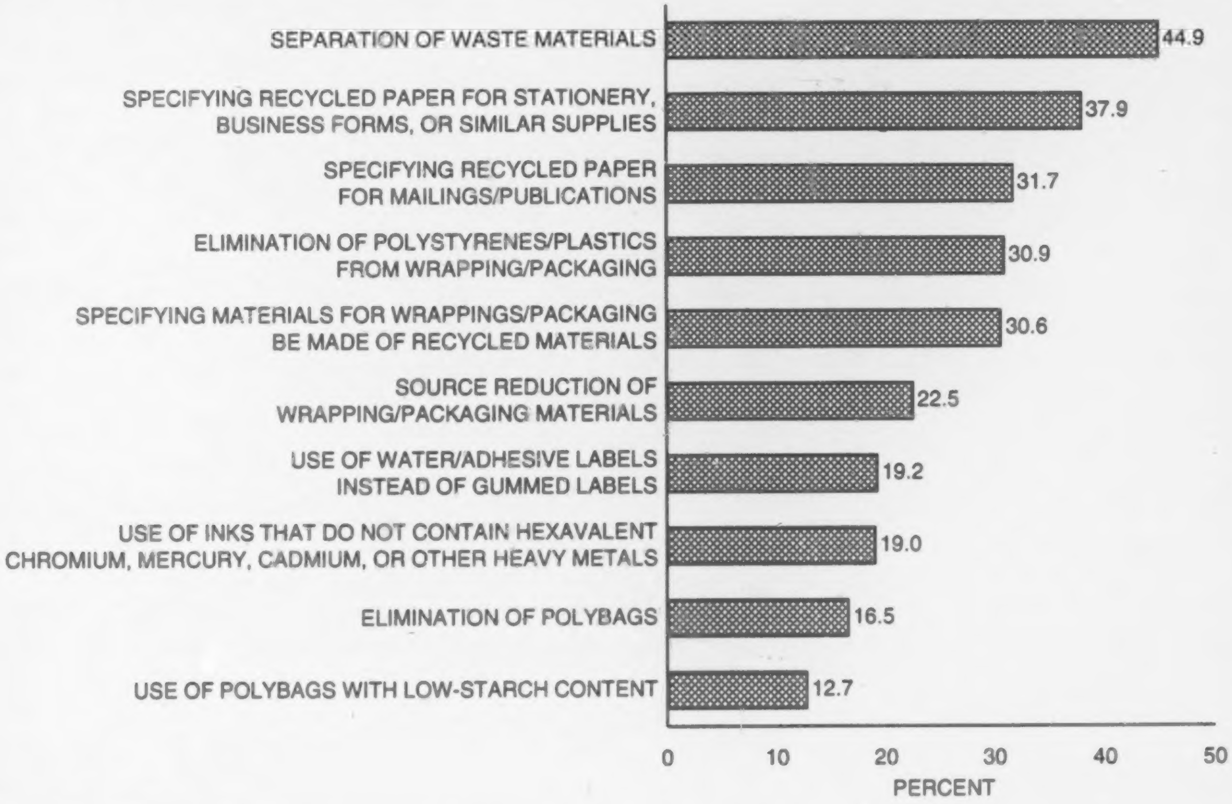


*Note: Table will not total 100% due to multiplicity of response.

Source: DMA Environmental Task Force/DMA Research Department, 1990.

CURRENT AND INTENDED PROGRAMS TO ADDRESS ENVIRONMENTAL QUESTIONS*

Voting members were provided with a list of business-related environmental practices or activities. For each, respondents were asked to indicate whether their organization currently has a program, or plans to implement one within the next two years.



*Note: Table will not total 100% due to multiplicity of response.

Source: DMA Environmental Task Force/DMA Research Department, 1990.

• CATALOG

BUYING HABITS

COSTS

TRENDS

ENVIRONMENTAL CONCERNS

CATALOGS

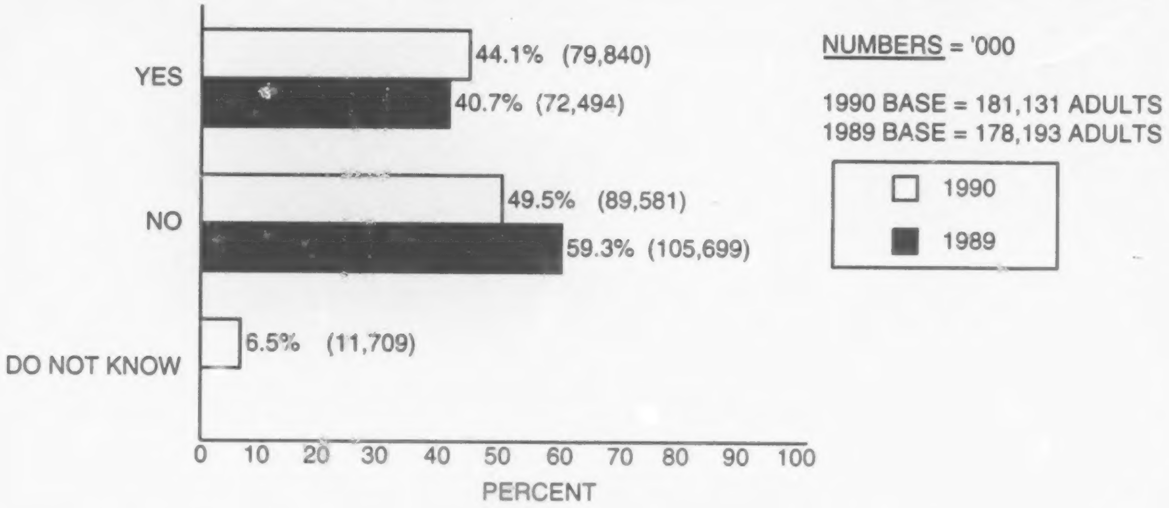
NUMBER OF PURCHASES IN LAST 12 MONTHS

Respondents purchasing from a catalog within the last 12 months are more likely to be females. Catalog buyers are also more likely to be married individuals between the ages of 24–65 that have graduated college, earning an income of $30,000 or more and own a residence valued at $70,000 or more.

	Total	Bought From Catalogs In Last 12 Months		1—2 Times		3—5 Times		6 or More Times	
	U.S. (000)	(000)	%	(000)	%	(000)	%	(000)	%
TOTAL ADULTS	181,131	79,840	44.1	31,748	17.5	30,962	17.1	17,131	9.5
MALES	86,476	32,728	37.8	13,868	16.1	12,720	14.7	6,118	7.1
FEMALES	94,655	47,114	49.8	17,860	18.9	18,242	19.3	11,012	11.6
18—24	25,507	8,906	34.9	4,030	15.8	3,392	13.3	1,483	5.8
25—34	43,858	20,334	46.4	8,314	19.0	7,761	17.7	4,259	9.7
35—44	36,206	18,426	50.9	7,007	19.4	6,734	18.6	4,685	12.9
45—54	24,795	11,558	46.6	4,011	16.2	4,770	19.2	2,777	11.2
55—64	21,496	9,286	43.2	3,223	15.0	3,907	18.2	2,156	10.0
65 OR OLDER	29,268	11,331	38.7	5,162	17.6	4,397	15.0	1,771	6.1
GRADUATED COLLEGE	34,578	19,518	56.4	6,449	18.7	7,958	23.0	5,111	14.8
ATTENDED COLLEGE	33,812	16,598	49.1	6,806	20.1	6,207	18.4	3,585	10.6
GRADUATED HIGH SCHOOL	71,180	31,558	44.3	12,643	17.8	12,407	17.4	6,508	9.1
DID NOT GRADUATE HIGH SCHOOL	41,560	12,166	29.3	5,849	14.1	4,390	10.6	1,928	4.6
PROFESSIONAL/MANAGER	31,879	18,158	57.0	6,109	19.2	7,406	23.2	4,643	14.6
TECHNICAL/CLERICAL SALES	37,678	19,054	50.6	7,219	19.2	7,516	19.9	4,320	11.5
PRECISION/CRAFT	14,826	5,584	37.7	2,437	16.4	1,897	12.8	1,250	8.4
OTHER EMPLOYED	35,775	13,808	38.6	6,128	17.1	5,014	14.0	2,666	7.5
SINGLE	39,788	14,669	36.9	6,355	16.0	5,453	13.7	2,891	7.3
MARRIED	108,473	53,032	48.9	20,124	18.6	20,946	19.3	11,962	11.0
DIVORCED,SEPARATED,WIDOWED	32,870	12,110	36.8	5,269	16.0	4,563	13.9	2,278	6.9
PARENTS	60,843	29,802	49.0	11,351	18.7	11,322	18.6	7,129	11.7
NORTHEAST-CENSUS	38,551	17,937	46.5	5,694	14.8	6,982	18.1	5,260	13.6
MIDWEST	44,079	22,992	52.2	9,194	20.9	8,717	19.8	5,080	11.5
SOUTH	62,458	25,078	40.2	11,003	17.6	9,926	15.9	4,149	6.6
WEST	36,042	13,834	38.4	5,857	16.3	5,336	14.8	2,641	7.3
HOUSEHOLD INCOME									
$60,000 OR MORE	31,937	17,359	54.4	5,649	17.7	6,781	21.2	4,929	15.4
$50,000 OR MORE	47,508	25,421	53.5	8,746	18.4	10,125	21.3	6,550	13.8
$40,000 OR MORE	68,804	35,860	52.1	12,625	18.3	14,423	21.0	8,812	12.8
$30,000 OR MORE	96,864	49,636	51.2	18,347	18.9	19,486	20.1	11,803	12.2
$30,000—$39,999	28,080	13,776	49.1	5,722	20.4	5,063	18.0	2,991	10.7
$20,000—$29,999	30,796	13,374	43.4	5,468	17.8	5,268	17.1	2,638	8.6
$10,000—$19,999	32,038	11,679	36.5	5,247	16.4	4,400	13.7	2,032	6.3
UNDER $10,000	21,433	5,151	24.0	2,685	12.5	1,808	8.4	658	3.1
HOUSEHOLD SIZE									
1 PERSON	23,081	8,381	36.3	3,431	14.9	3,178	13.8	1,772	7.7
2 PEOPLE	59,128	26,002	44.0	10,806	18.3	10,231	17.3	4,964	8.4
3 OR 4 PEOPLE	73,074	33,333	45.6	12,782	17.5	13,084	17.9	7,487	10.2
5 OR MORE PEOPLE	25,847	12,125	46.9	4,728	18.3	4,489	17.4	2,908	11.3
NO CHILD IN HOUSEHOLD	108,398	45,553	42.0	18,606	17.2	17,747	16.4	9,200	8.5
CHILDREN UNDER 2 YEARS	15,433	6,651	43.1	2,414	15.6	2,714	17.6	1,523	9.9
2—5 YEARS	25,280	12,329	48.8	4,641	18.4	4,887	19.3	2,801	11.1
6—11 YEARS	33,718	16,548	49.1	6,578	19.5	5,850	17.3	4,121	12.2
12—17 YEARS	32,401	15,237	47.0	6,049	18.7	5,669	17.5	3,519	10.9
RESIDENCE OWNED	124,240	60,487	48.7	23,204	18.7	23,764	19.1	13,519	10.9
VALUE $70,000 OR MORE	66,423	34,501	51.9	12,182	18.3	13,955	21.0	8,363	12.6
VALUE LESS THAN $70,000	57,817	25,986	44.9	11,021	19.1	9,809	17.0	5,156	8.9

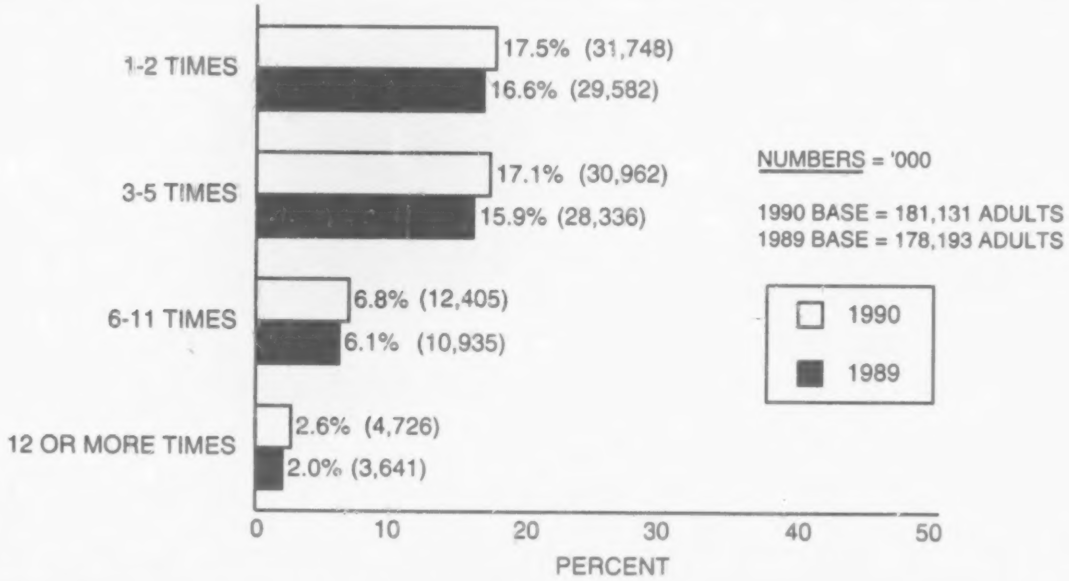
Source: Simmons Market Research Bureau: 1990 Study of Media and Markets.

ADULTS WHO HAVE BOUGHT MERCHANDISE FROM A CATALOG IN THE LAST 12 MONTHS



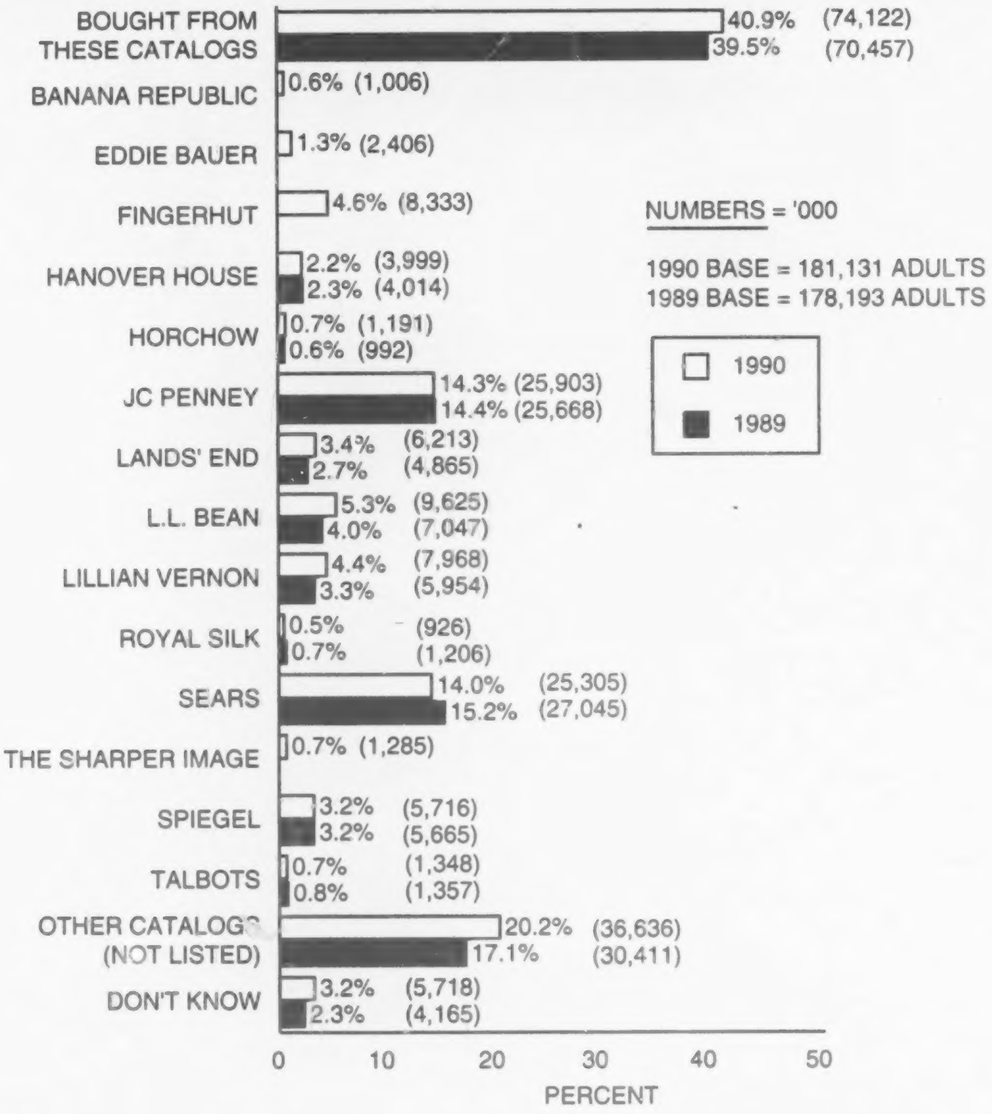
Source: Simmons Market Research Bureau: 1989 & 1990 Study of Media and Markets.

NUMBER OF TIMES ADULTS HAVE BOUGHT MERCHANDISE FROM A CATALOG IN THE LAST 12 MONTHS



Source: Simmons Market Research Bureau: 1989 & 1990 Study of Media and Markets.

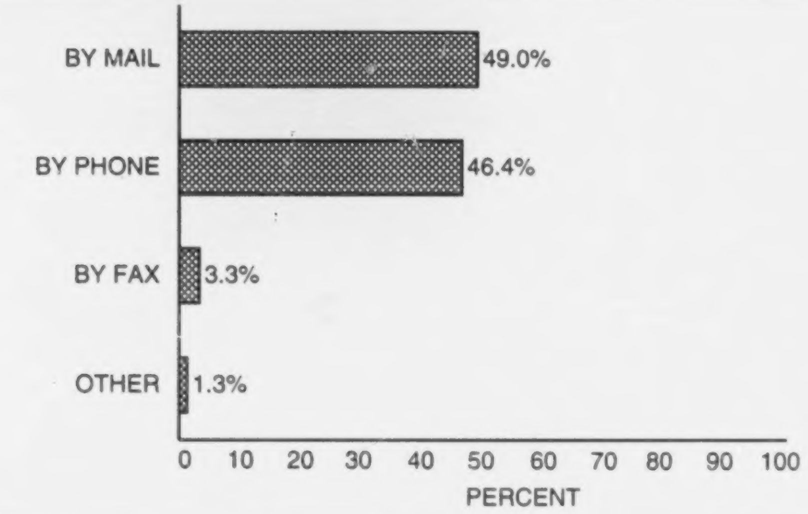
CATALOGS ADULTS HAVE BOUGHT MERCHANDISE FROM IN THE LAST 12 MONTHS



Source: Simmons Market Research Bureau: 1989 & 1990 Study of Media and Markets.

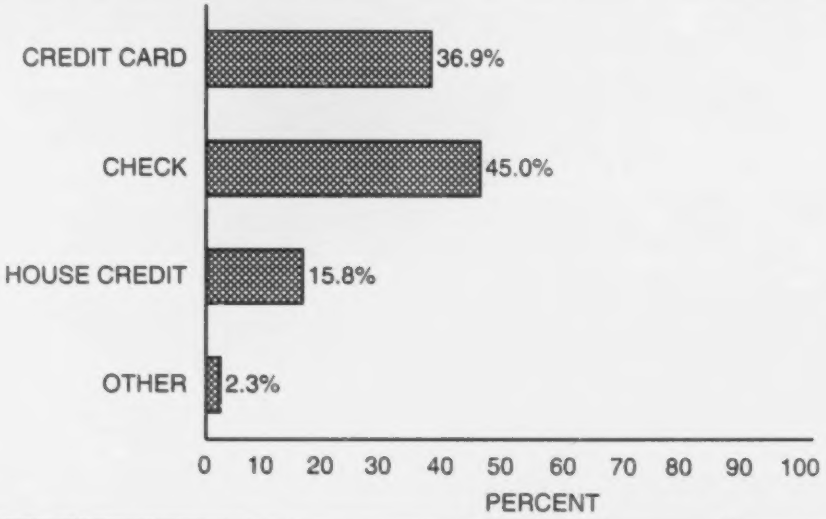
THE FOURTH ANNUAL CATALOG AGE STUDY: The Comprehensive Annual Analysis of Catalog Trends and Practices provides a comprehensive and quantitative overview of virtually every aspect of catalog marketing. Conducted and compiled during the summer and fall of 1990, the 10-page market survey was mailed to a large sampling of catalog company executives culled from the Catalog Age subscriber list. The data presented by the 1990 report represent the answers of the 386 survey respondents.

PERCENTAGE OF ORDERS RECEIVED THROUGH MAIL, PHONE, FAX, OTHER



Source: Catalog Age, The Catalog Age Report, 1990.

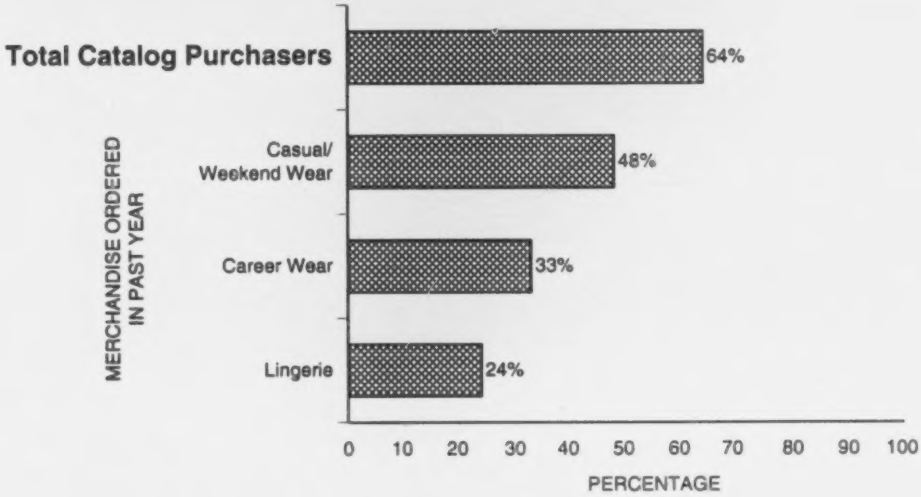
PERCENTAGE OF ORDERS PAID BY CREDIT CARD, CHECK, HOUSE CREDIT, OTHER



Source: Catalog Age, The Catalog Age Report, 1990.

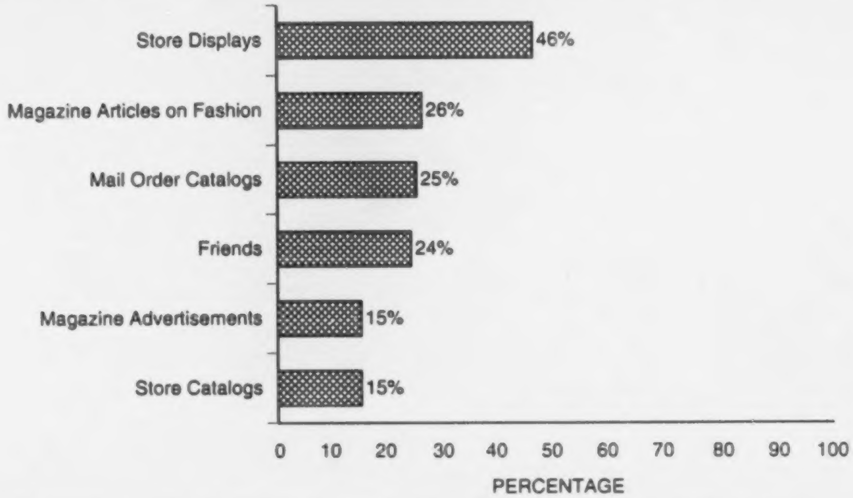
In 1990, *Glamour* Magazine commissioned Walter K. Levy Associates, a leading fashion/retail marketing consultant, to survey a representative sample of American women to obtain a more in-depth picture of how women's fashion decisions are made. A 12-page, self-administered questionnaire was sent to two samples: a nationally projectable panel of 2,034 women aged 18–55, and a *Glamour* sample of 1,084 readers.

TYPE OF CLOTHING ORDERED FROM CATALOGS



Source: The GLAMOUR National Fashion Study, Walter K. Levy Associates, Inc., 1990.

CATALOGS AS SOURCES OF FASHION IDEAS



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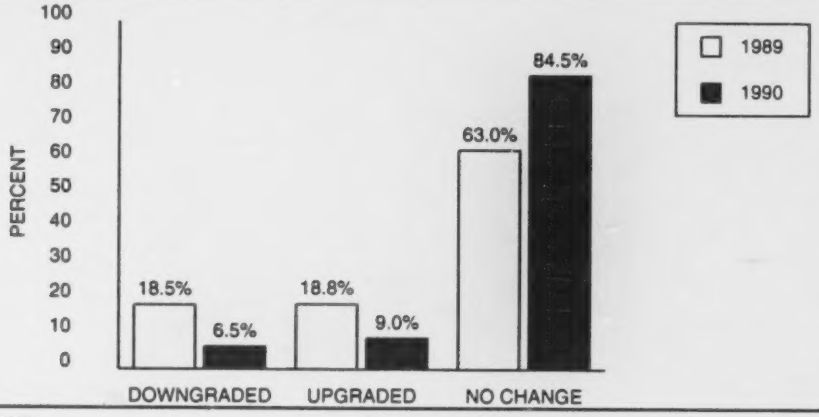
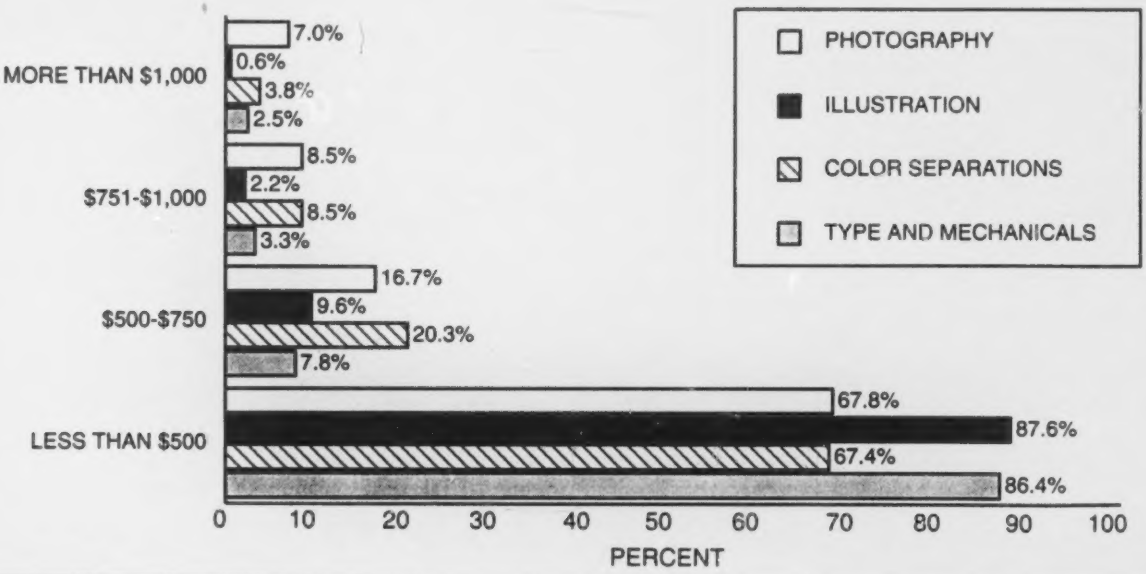
CATALOGERS THAT HAVE UPGRADED OR DOWNGRADED PAPER QUALITY IN THE PAST 12 MONTHS

In the last year, 9.0% of all catalogers note that they have upgraded paper. Respondents indicating they made no change has increased from 63.0% to 84.5% for this year's study.



Source: Catalog Age, The Catalog Age Report, 1990.

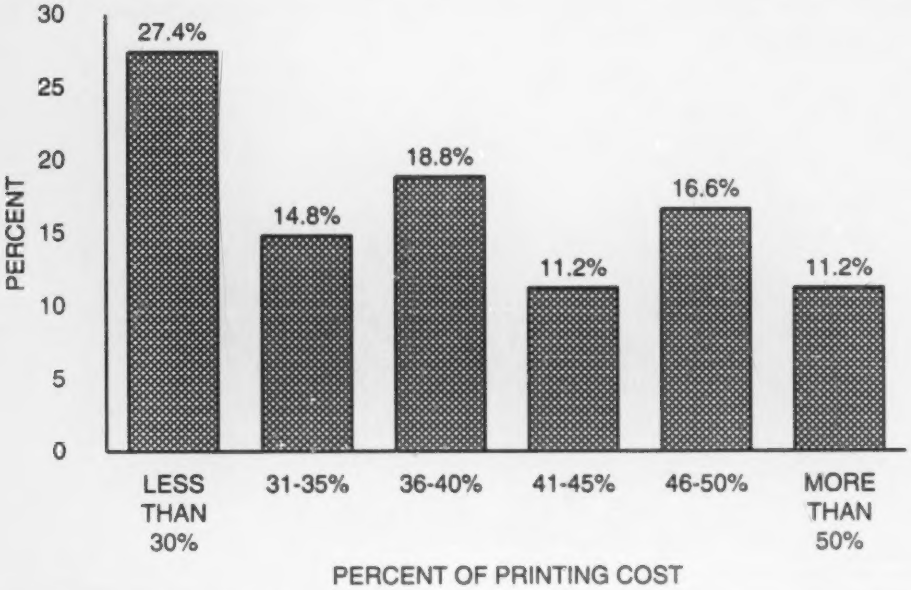
EXPENDITURES PER PAGE



Source: Catalog Age, The Catalog Age Report, 1990.

PERCENTAGE OF PRINTING COSTS FOR PAPER

More than three quarters of all respondents claim paper accounts for less than half of their total printing bills.



Source: Catalog Age, The Catalog Age Report, 1990.

TYPICAL CATALOG DEVELOPMENT COSTS

Printed on 60# enamel, self-cover, saddle stitched. Photography and separations not included.

			Cost per thousand			
FINISHED SIZE	Pages	Colors	25M	50M	100M	300M
8-1/2" X 11"	32	2	$492.10	$333.45	$253.89	$199.27
8-1/2" X 11"	32	4	642.11	442.56	322.11	243.06
8-1/2" X 11"	48	2	709.44	481.75	372.55	297.80
8-1/2" X 11"	48	4	880.08	605.85	449.41	344.58
8-1/2" X 11"	64	2	911.13	618.66	475.77	375.92
8-1/2" X 11"	64	4	1101.95	757.45	566.20	437.60
8-1/2" X 11"	96	2	1252.56	817.73	663.48	534.93
8-1/2" X 11"	96	4	1475.57	1019.39	764.10	599.18
5-1/2" X 8-1/2"	32	2	292.50	199.09	148.11	110.96
5-1/2" X 8-1/2"	32	4	381.98	264.17	188.78	134.43
5-1/2" X 8-1/2"	48	2	431.00	292.54	220.54	166.30
5-1/2" X 8-1/2"	48	4	530.01	364.55	264.26	192.24
5-1/2" X 8-1/2"	64	2	609.97	415.43	314.99	238.06
5-1/2" X 8-1/2"	64	4	757.06	522.41	376.59	273.03

Source: Alpert O'Neill Tigre, 1991.

1990 CATALOG SALARIES

Crandall Associates, Inc. have determined the salaries by the following process: 1) Discussion with employers, from presidents to personnel officers throughout the country, in companies varying in geographic areas, number of employees, and sales volume; 2) Personal interviews and discussions with the professionals in Direct Marketing at all salary levels, working from coast to coast; 3) Search assignments that were received, nationally, enabling Crandall Associates, Inc. to confirm salary levels that prove to be effective in recruiting candidates from each experience range, and serve as a double check on the figures.

Position Title and Description	Years Exp.	Base Salary Range (excluding benefits)		Leading Firms
ADVERTISING MANAGER: Corporate responsibility for conversion of marketing plan into communication using creative tools and media.	1—3	$34,600	$46,700	$46,900
	4—7	$45,900	$50,000	$54,400
	7+	$53,400	$56,700	$59,500
ART DIRECTOR/Catalog: Sets graphic tone, color, format, type, photography, images and paper for maximum sales at minimum cost.	1—3	$22,200	$24,400	$29,700
	4—7	$26,300	$31,800	$38,700
	7+	$36,400	$41,600	$48,000
ART STAFF: Responsible for the creation of comps, type spec'ing, camera-ready mechanicals, under the direction of the art director.	1—3	$15,800	$20,300	$22,800
	4—7	$20,800	$24,800	$26,200
	7+	$25,700	$28,900	$33,200
CIRCULATION DIRECTOR/Consumer: Identifies the target audience, marketing policy and pricing and guides creative efforts and audits.	1—3	$47,900	$52,100	$56,900
	4—7	$54,600	$59,900	$63,700
	7+	$61,400	$67,000	$76,300
COPY CHIEF: Conceptualizes, supervises, inspires and directs copywriters in creation of written promotional materials for all media.	1—3	$28,100	$31,400	$35,900
	4—7	$33,500	$38,300	$42,500
	7+	$40,200	$44,900	$50,700
COPYWRITER/Catalog: Ability to write copy that sparkles and accurately sells products, generally in very limited space on the page.	1—3	$16,300	$18,500	$23,000
	4—7	$20,900	$25,300	$28,700
	7+	$26,700	$34,400	$38,200
CREATIVE DIRECTOR/Corporate: Guides staff in developing art and copy capabilities for creative communications with customers.	1—3	$31,300	$35,800	$38,900
	4—7	$36,600	$41,000	$44,900
	7+	$42,000	$51,400	$55,900
CUSTOMER SERVICE MANAGER: Responsible for diplomatic, effective satisfaction of customer relations within company's guidelines.	1—3	$17,100	$18,900	$23,000
	4—7	$20,300	$24,700	$27,900
	7+	$25,300	$30,200	$32,500
DATA PROCESSING MANAGER: Responsible for the management information services and systems, design, analysis, and programming.	1—3	$36,000	$41,100	$45,800
	4—7	$43,100	$48,100	$52,100
	7+	$49,600	$54,700	$59,200
FULFILLMENT MANAGER/Product: Supervises merchandise order entry and processing, customer service, inventory, and warehousing.	1—3	$32,800	$37,300	$41,000
	4—7	$38,900	$42,600	$46,900
	7+	$44,700	$49,400	$53,900
LIST MANAGER/Corporate: Supervises, maintains, selects, analyzes, promotes and sells house lists and buys/exchanges outside lists.	1—3	$27,200	$29,400	$33,800
	4—7	$31,600	$36,800	$40,000
	7+	$37,700	$43,100	$44,200
MARKETING DIRECTOR/Consumer Catalog: Determines marketing position, guides merchandise direction and carries the P&L duty.	1—3	$40,800	$46,400	$53,100
	4—7	$50,700	$56,500	$64,700
	7+	$58,100	$70,500	$77,200
MARKETING/Business Product Manager: Sells products or services to defined and targeted commercial markets, generally with catalogs.	1—3	$23,700	$28,200	$33,200
	4—7	$30,100	$36,200	$40,100
	7+	$38,500	$43,000	$45,600
MARKET RESEARCH MANAGER: Gather and distills data into intelligent information utilizing the complete gamut of research tools.	1—3	$24,700	$29,300	$34,300
	4—7	$30,700	$34,700	$40,400
	7+	$36,900	$38,500	$43,400
MERCHANDISE BUYER: Develops products, shops, covers markets, meets and negotiates with vendors and keeps tabs on inventory.	1—3	$22,300	$23,400	$28,600
	4—7	$25,900	$30,000	$33,000
	7+	$31,000	$35,700	$37,400
PRODUCTION MANAGER: Knows about processes, particularly printing, to buy or produce materials, with emphasis on costs and quality.	1—3	$23,300	$26,400	$29,400
	4—7	$26,500	$32,600	$36,000
	7+	$33,500	$41,900	$46,300
TELEMARKETING MANAGER/Inbound: Complete responsibility for equipment and integration of order taking and/or customer service.	1—3	$24,600	$27,700	$32,500
	4—7	$31,200	$35,900	$39,800
	7+	$37,300	$41,900	$45,100
TELEMARKETING SUPERVISOR/Inbound: Oversees Telemarketing Sales Representatives in order taking and providing customer service.	1—3	$20,700	$21,400	$21,900
	4—7	$22,300	$23,700	$26,400
	7+	$24,200	$25,400	$28,900
TELEMARKETING TRAINER: Interviews, hires and trains Telemarketing Sales Representatives for continual quality control, and motivation.	1—3	$24,800	$27,200	$28,700
	4—7	$27,500	$31,000	$35,900
	7+	$34,300	$38,500	$40,400

Source: Crandall Associates, Inc., 1990.

AVERAGE FULFILLMENT COSTS

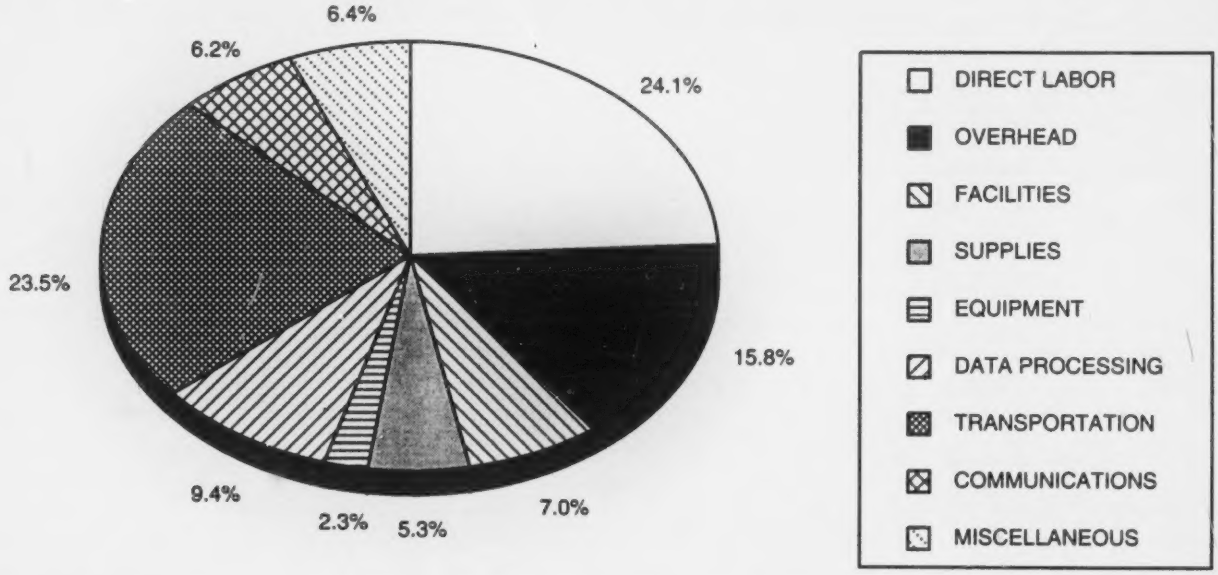
In 1990, Directel underwrote a series of studies focusing on fulfillment—its components and its costs. A mail questionnaire was sent to the president or chief financial officer of several hundred consumer catalog companies. An 11% response rate was achieved.

Cost category	Avg. cost as % of sales	Avg. cost per order
Direct labor	4.2%	$4.48
Overhead	2.7%	4.80
Facilities	1.2%	1.63
Supplies	0.9%	1.02
Equipment	0.4%	0.51
Data processing	1.6%	2.04
Transportation	4.0%	3.99
Communications	1.1%	1.60
Miscellaneous	1.1%	0.82
Total cost	17.2%	$20.89

Source: Catalog Age/Directel, 1990.

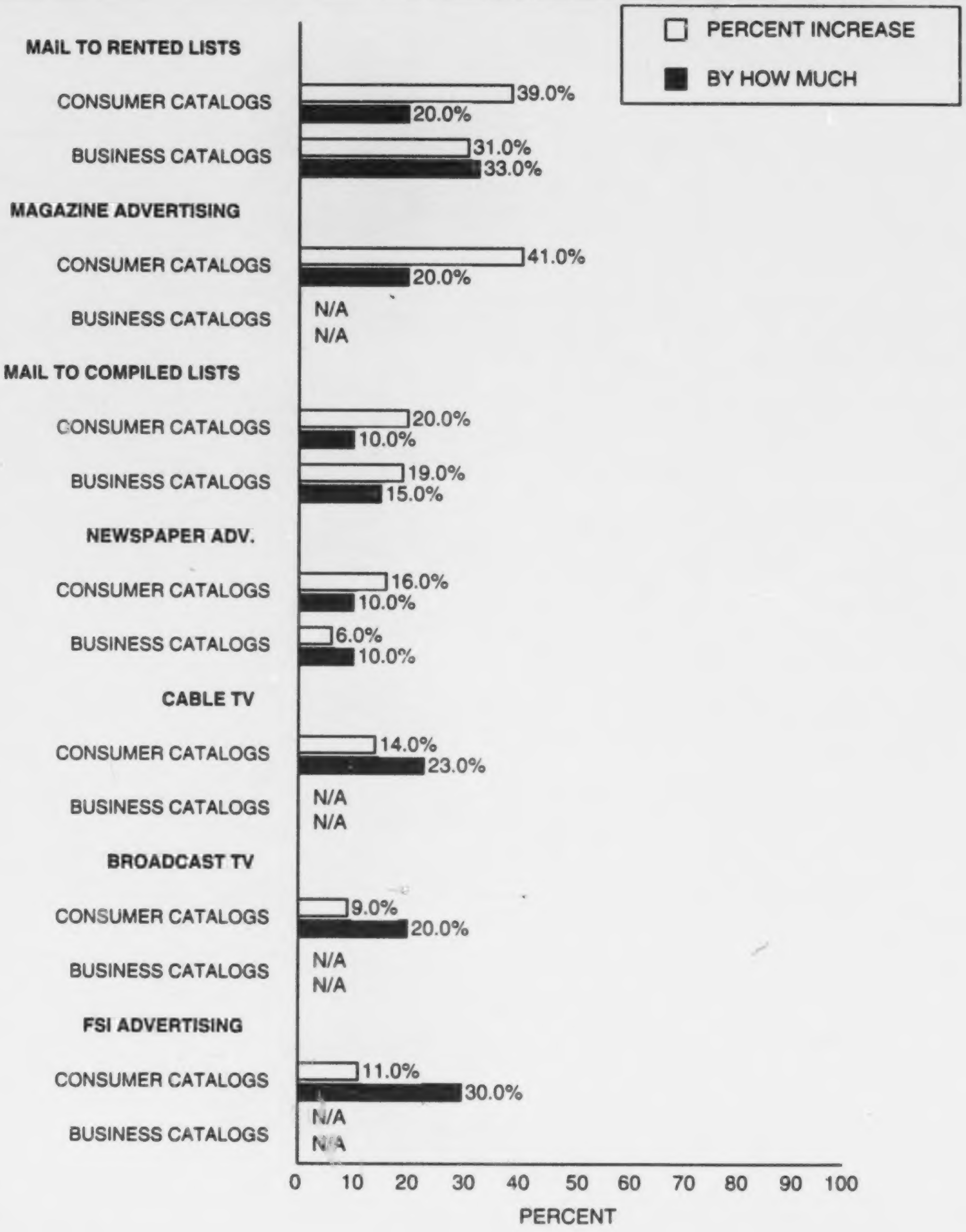
HOW FULFILLMENT COSTS BREAK DOWN

Together, direct labor, overhead and transportation account for 63.4 percent of total average fulfillment costs. Overall, the study showed that fulfillment costs eat up an average of 17.2 percent of total catalog sales dollars.



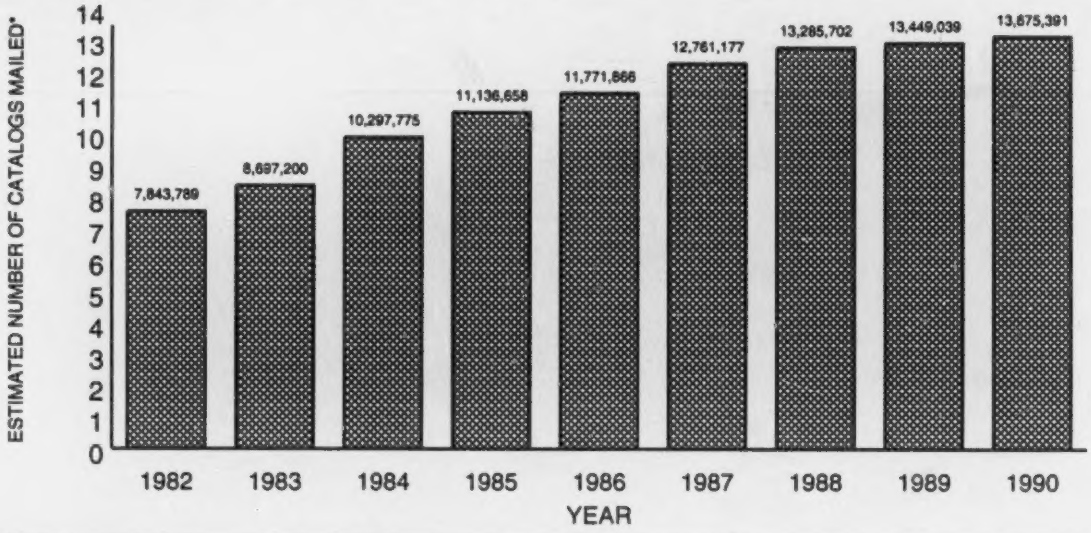
Source: Catalog Age/Directel, 1990

CATALOGERS' ADVERTISING EXPENDITURE EXPECTATIONS FOR 1991



Source: DMA Marketing Practices and Performance Survey, conducted by the Direct Marketing Association in cooperation with David Shepard and Associates, Inc., 1990.

CATALOGS MAILED PER YEAR: 1982—1990 (BILLIONS)

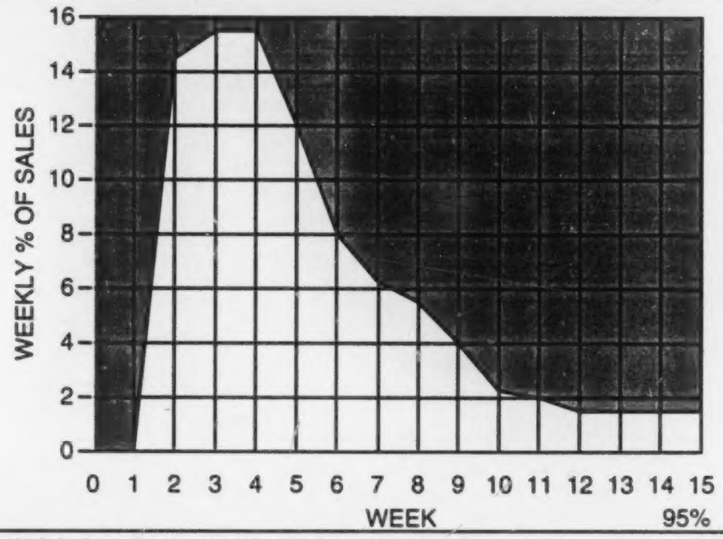


*These figures are extrapolated from the USPS Revenue, Pieces and Weight by Classes of Mail Report based on the following assumptions that have been agreed upon by both the USPS and DMA and further substantiated by the findings of the USPS Household Diary Study:

- 21% of all third-class mail is catalogs (including non-profit mail)
- 85% of all fourth-class bound printed matter is catalogs

Source: DMA/USPS Revenue, Pieces and Weight by Classes of Mail Report, 1991.

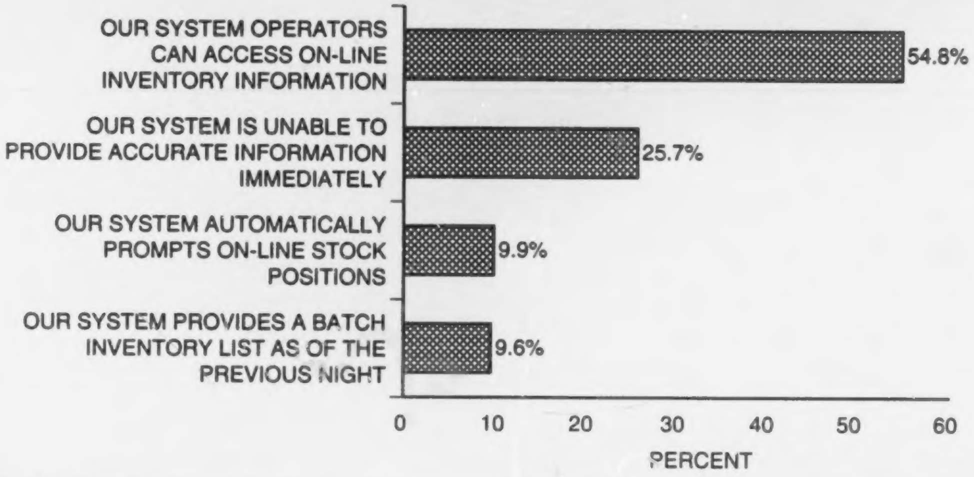
TYPICAL CATALOG RESPONSE CURVE



Developing response curves, which indicate the percent of sales for each week of the catalog response period, can be an effective way to gauge how much inventory is required for any given product. Often, the first week's response can give a reliable indication of final sales, especially for hot-selling items that will need to be reordered immediately.

Source: Fenvessy Consulting.

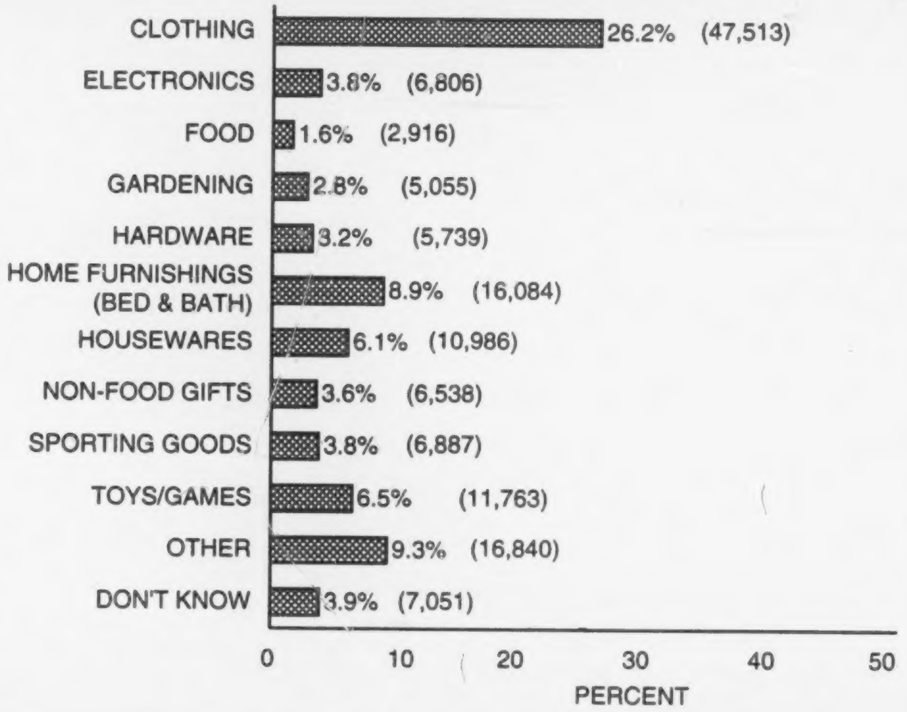
HOW CATALOGERS ANSWER CUSTOMER INQUIRIES ABOUT ITEM AVAILABILITY



Source: Catalog AGE, The CATALOG AGE Report, 1990.

TYPES OF MERCHANDISE BOUGHT FROM CATALOGS IN THE LAST 12 MONTHS

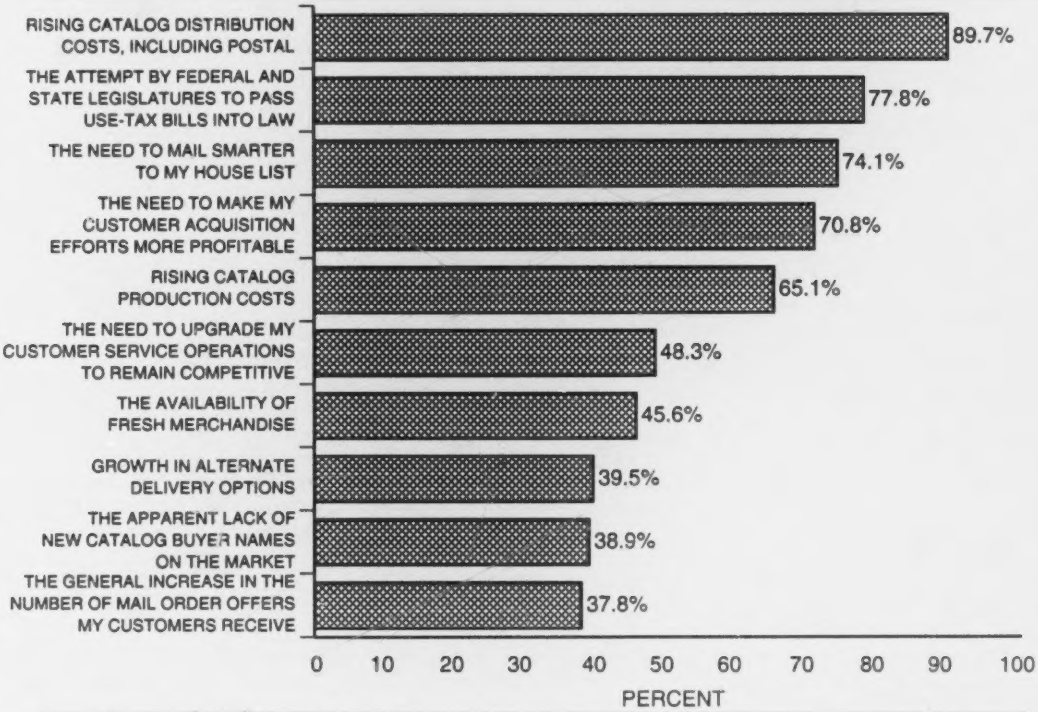
Clothing was the most frequent type of merchandise purchased by approximately one-quarter of respondents within the last 12 months.



Source: Simmons Market Research Bureau: 1989 & 1990 Study of Media and Markets.

TOP TEN ISSUES MOST CONCERNING CATALOGERS

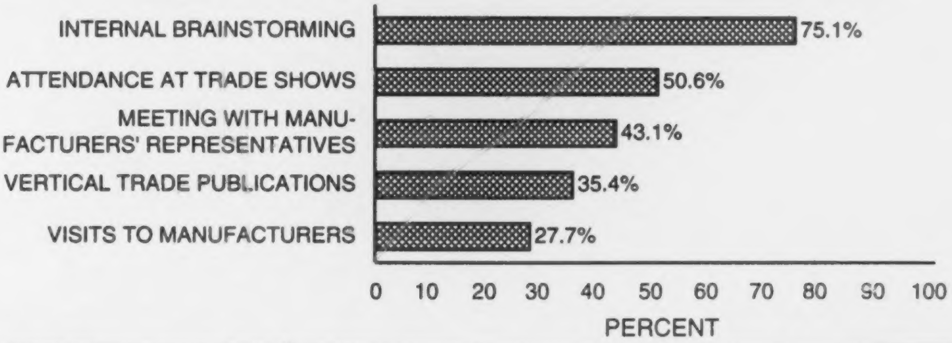
Catalogers were asked to rate 15 issues using a five point scale, where 5 represents a critically important issue and 1 represents a relatively minor one. The percentages below represent the total number of respondents rating each issue 4 or 5.



Source: Catalog Age, The CATALOG AGE Report, 1990.

TOP FIVE SOURCES OF MERCHANDISE

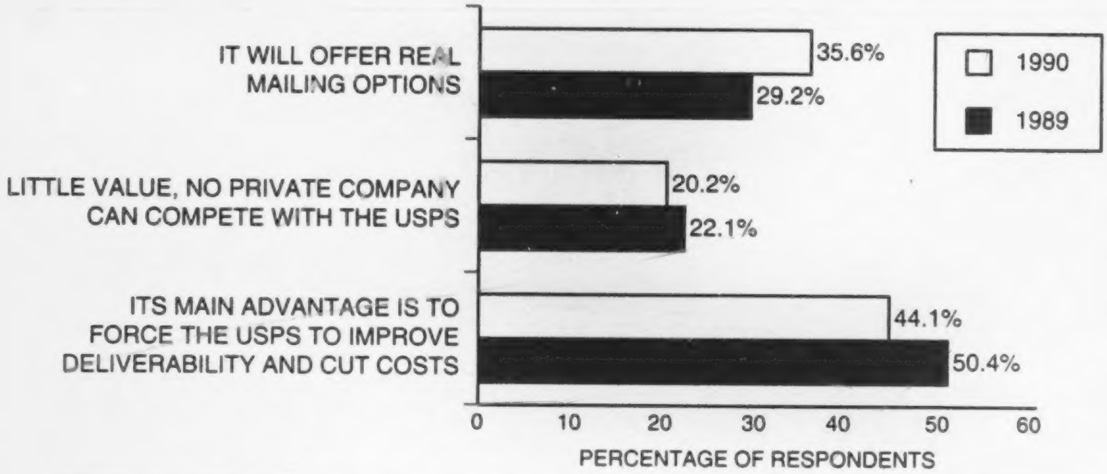
Catalogers were asked to rate eight sources of merchandise using a five point scale, where 5 represents a very important merchandise source and 1 represents a very poor one. The percentages below represent the total number of respondents rating each source 4 or 5.



Source: Catalog Age, The CATALOG AGE Report, 1990.

ATTITUDES TOWARD ALTERNATE OR PRIVATE DELIVERY

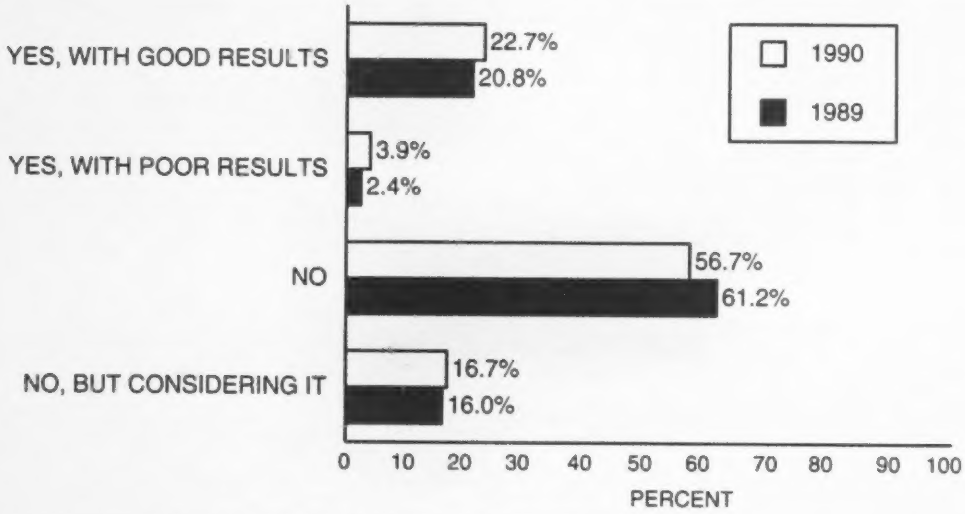
Approximately 36% of catalogers feel alternate or private delivery will offer real mailing options, compared to 29% last year.



Source: Catalog Age, The CATALOG AGE Report, 1990.

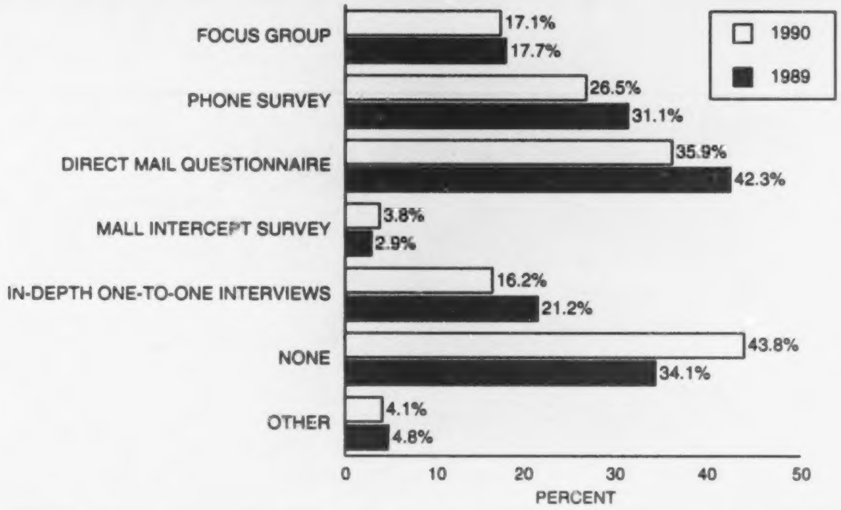
CATALOGERS WHO HAVE USED NATIONAL CHANGE OF ADDRESS (NCOA)

The acceptance and usage of NCOA remains consistent with last year's findings, as 22.7% report usage with good results.



Source: Catalog Age, The CATALOG AGE Report, 1990.

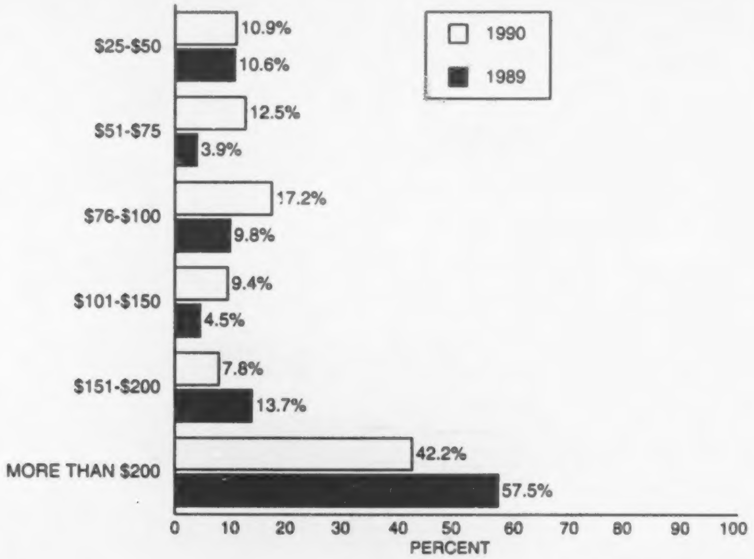
METHODS OF MARKET RESEARCH EMPLOYED BY CATALOGERS



Source: Catalog Age, The CATALOG AGE Report, 1990.

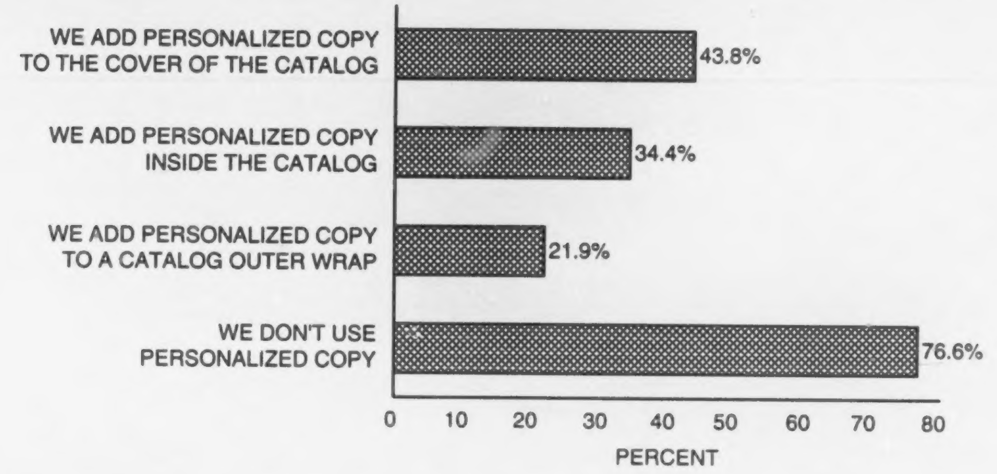
LIFETIME VALUE OF A CUSTOMER

Lifetime Value—A measurement of long-term dollar value of a customer, subscriber, donor, etc. The majority of buyers for 1990, 57.8% are valued at between $25–$200, whereas the majority in 1989, 57.5% were valued at more than $200.



Source: Catalog Age, The CATALOG AGE Report, 1990.

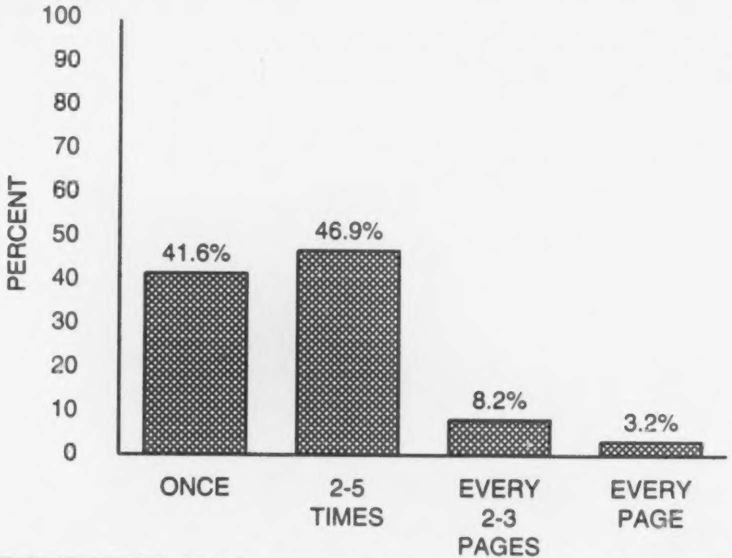
PERSONALIZATION IN CATALOGS



Source: Catalog Age, The CATALOG AGE Report, 1990.

HOW OFTEN CATALOGERS STATE THEIR GUARANTEE IN THEIR CATALOGS

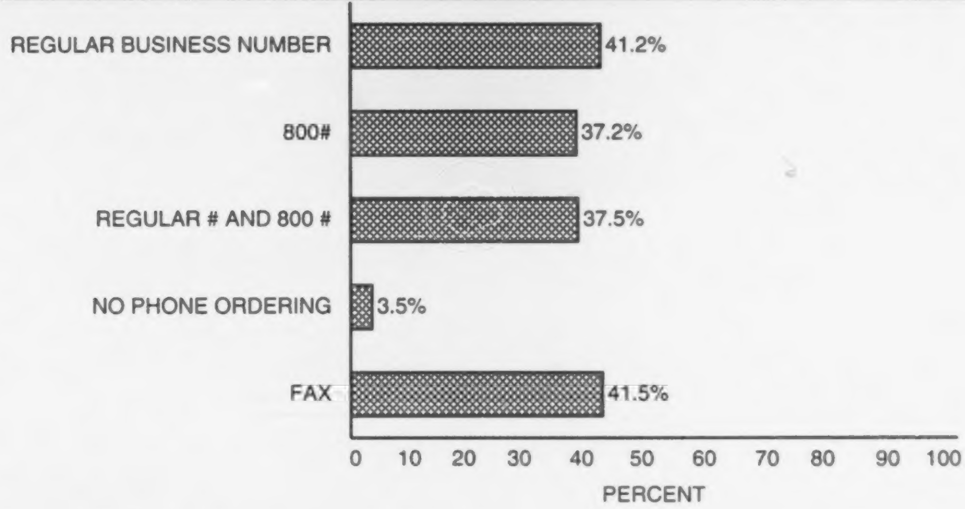
Of all catalogers, 46.9% state their guarantee two to five times in their catalogs.



Source: Catalog Age, The CATALOG AGE Report, 1990.

CATALOGERS WHO HAVE AN 800 NUMBER AND/OR A REGULAR BUSINESS PHONE NUMBER OR FAX FOR ORDERING

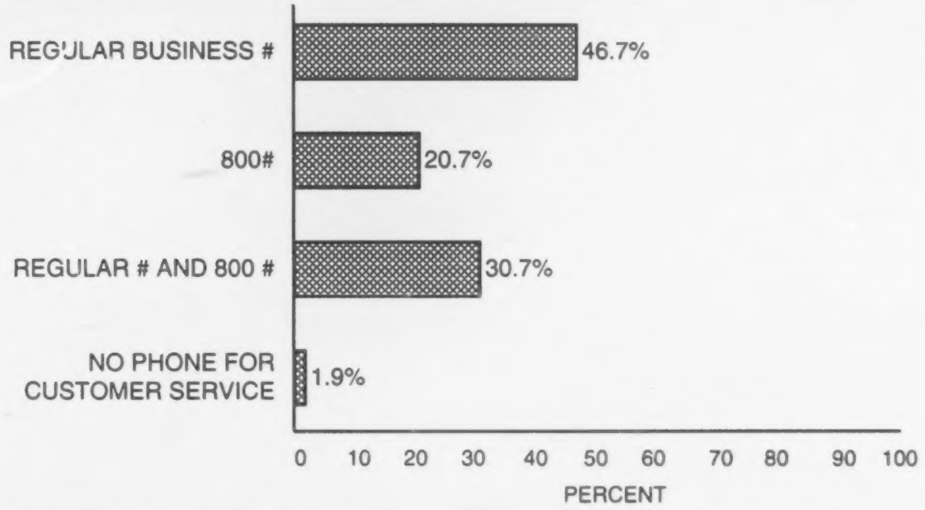
About 42% of catalogers report that they offer fax ordering, and 37% indicate offering an 800# or a regular and an 800#.



Source: Catalog Age, The CATALOG AGE Report, 1990.

CATALOGERS WHO HAVE AN 800 NUMBER AND/OR A REGULAR BUSINESS PHONE NUMBER FOR CUSTOMER SERVICE

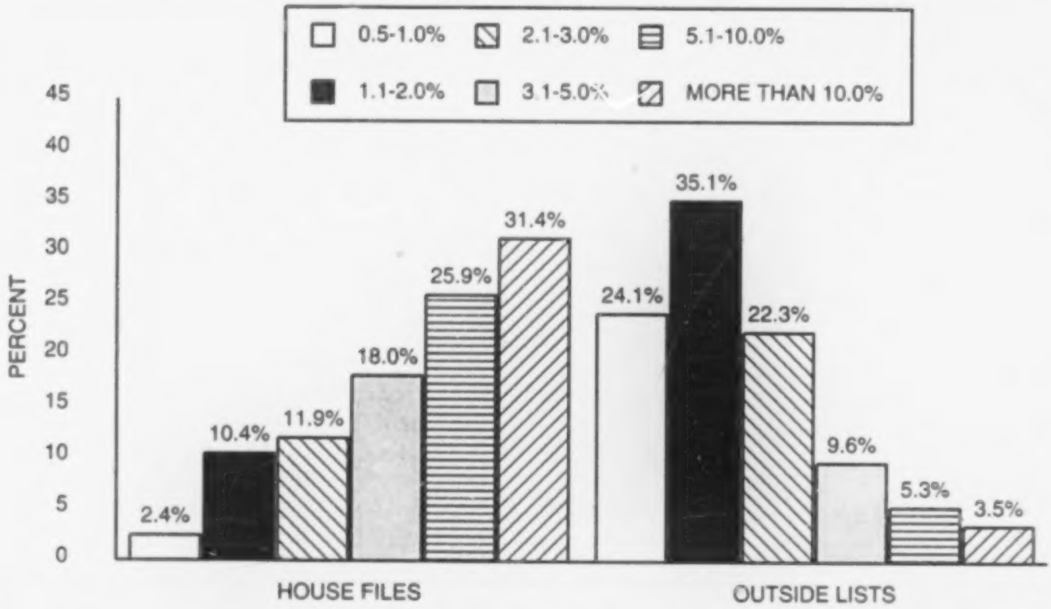
21% of catalogers now offer toll-free customer service. Catalogers who offer no phone for customer service constitutes 1.9% for this year.



Source: Catalog Age, The CATALOG AGE Report, 1990.

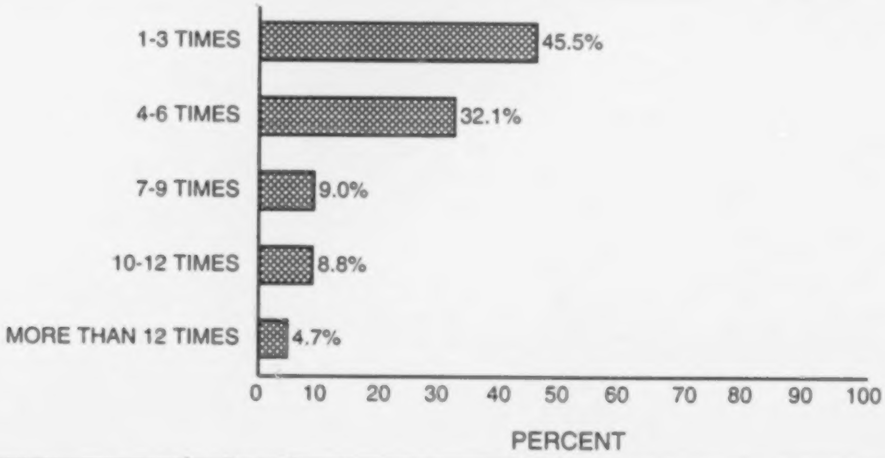
AVERAGE RESPONSE RATES FROM HOUSE FILES AND/OR OUTSIDE LISTS

Responses tend to be much higher from already existing customers on catalogers house files.



Source: Catalog Age, The CATALOG AGE Report, 1990.

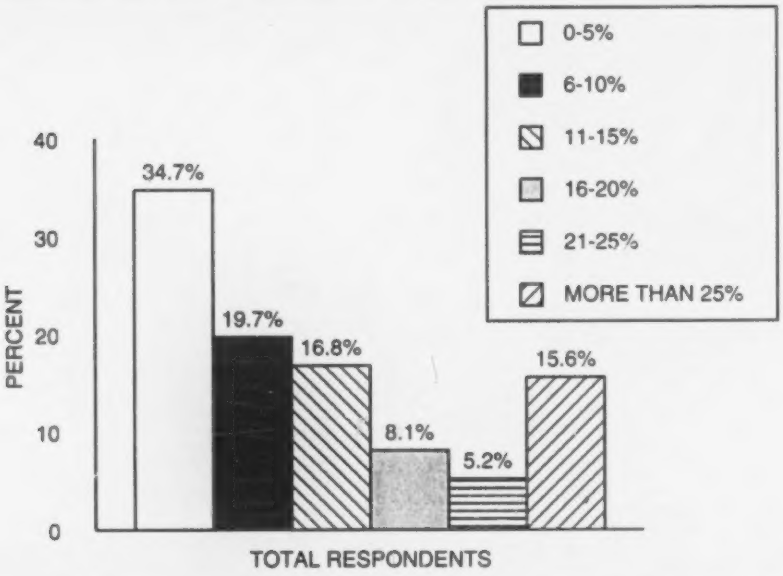
NUMBER OF TIMES A YEAR CATALOGERS MAIL TO THEIR CUSTOMERS



Source: Catalog Age, The CATALOG AGE Report, 1990.

CONVERSION RATES FROM PAID CATALOGS

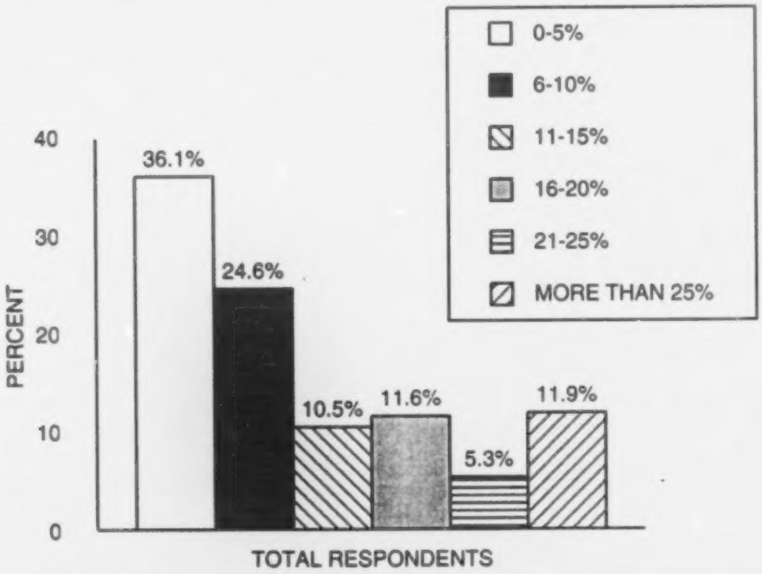
What percent, roughly, of your leads turn to buyers?



Source: Catalog Age, The CATALOG AGE Report, 1990.

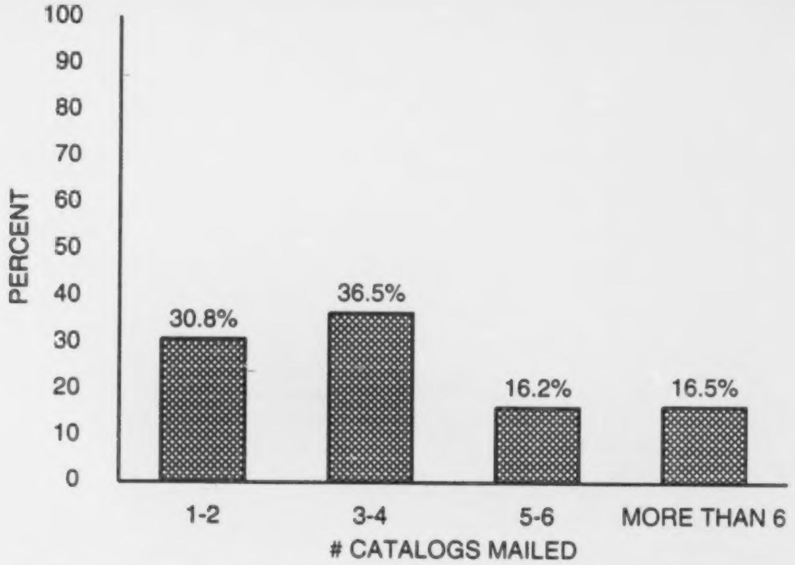
CONVERSION RATES FROM FREE CATALOGS

What percent, roughly, of your leads turn to buyers?



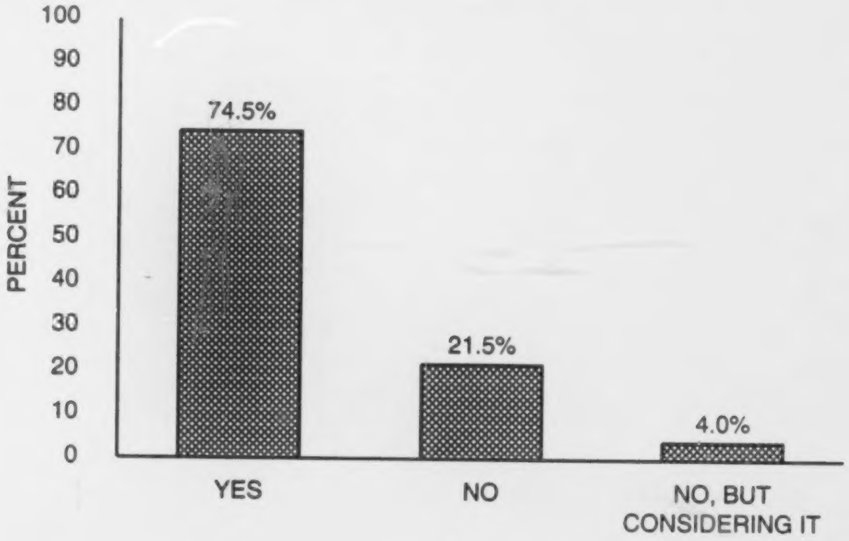
Source: Catalog Age, The CATALOG AGE Report, 1990.

NUMBER OF CATALOGS SENT TO A LEAD BEFORE CATALOGERS STOP MAILING



Source: Catalog Age, The CATALOG AGE Report, 1990.

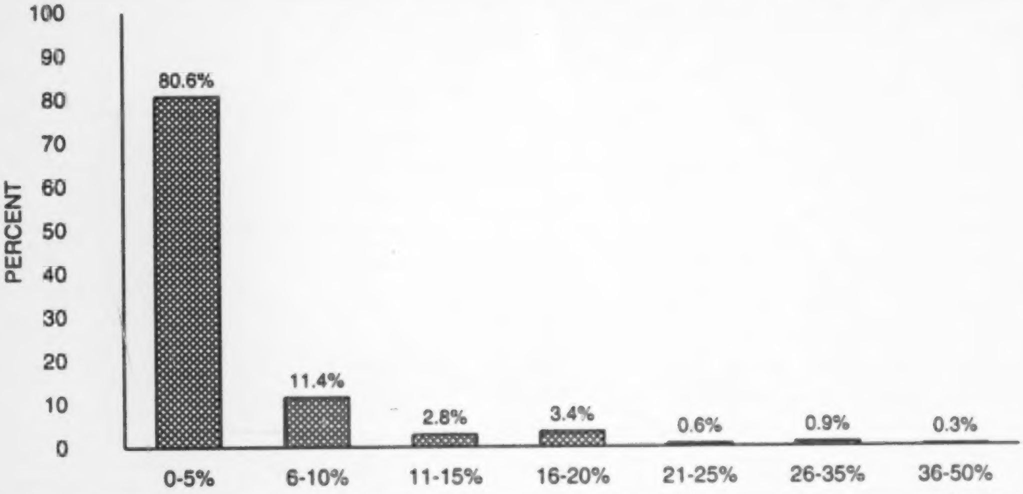
CATALOGERS WHO OFFER OVERNIGHT SHIPPING



Source: Catalog Age, The CATALOG AGE Report, 1990.

PERCENTAGE OF SHIPMENTS RETURNED

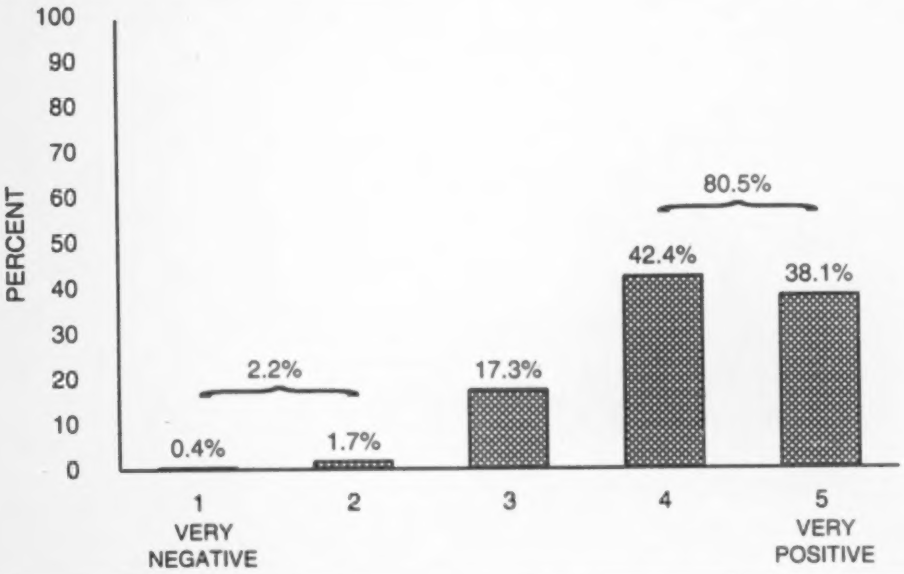
Most catalogers represented in the survey report that less than 5% of all their shipments are returned.



Source: Catalog Age, The CATALOG AGE Report, 1990.

USE OF DESKTOP PUBLISHING IN THE CATALOG PRODUCTION PROCESS

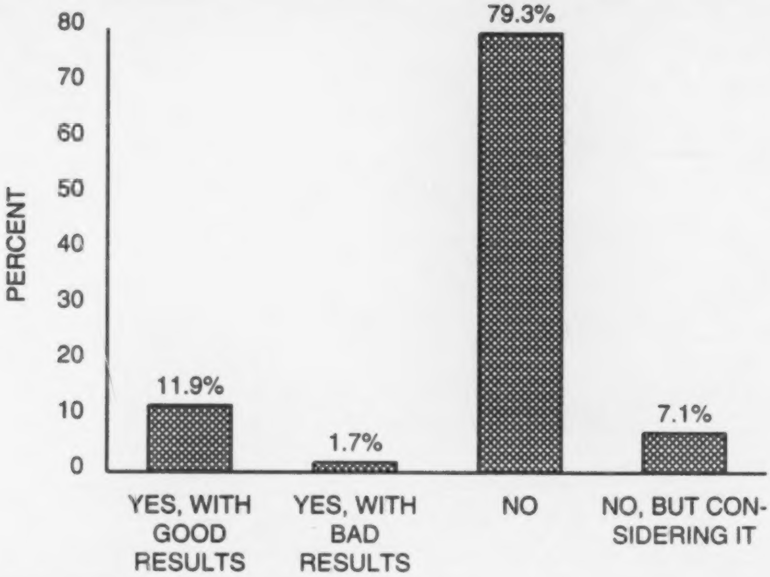
The majority of respondents, 80.5% are using Desktop Publishing with positive results. Current desktop applications, include the creation of solo mail pieces and insert pieces, production of catalog page design, designing and producing catalogs, etc.



Source: Catalog Age, The CATALOG AGE Report, 1990.

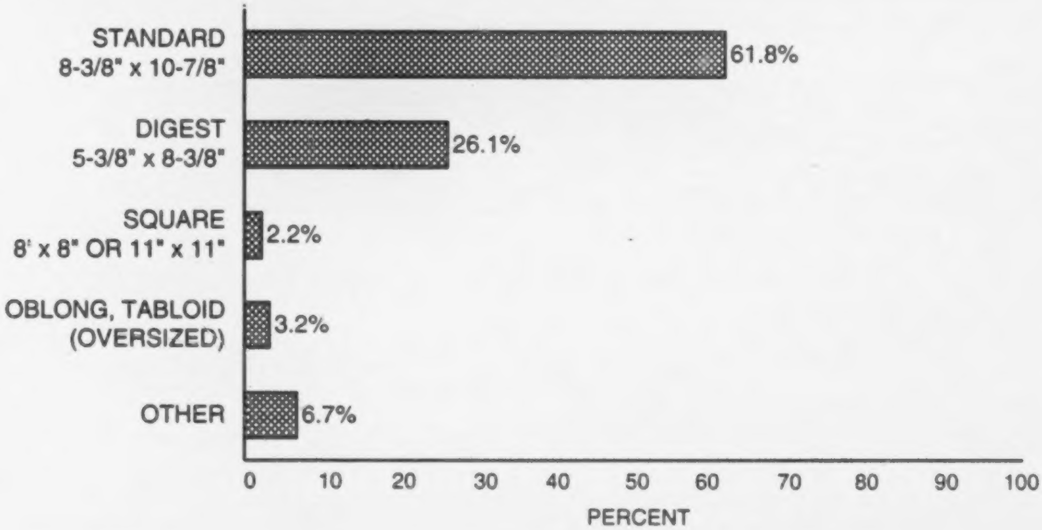
PERCENT OF CATALOGERS WHO HAVE TRIED SOME FORM OF SELECTIVE BINDING

Selective binding—a binding technique that selects and binds various publication segments into various finished products for different intended recipients in one binding run. This process was developed by R. R. Donnelley & Sons under the trademark name "Selectronic Gathering."



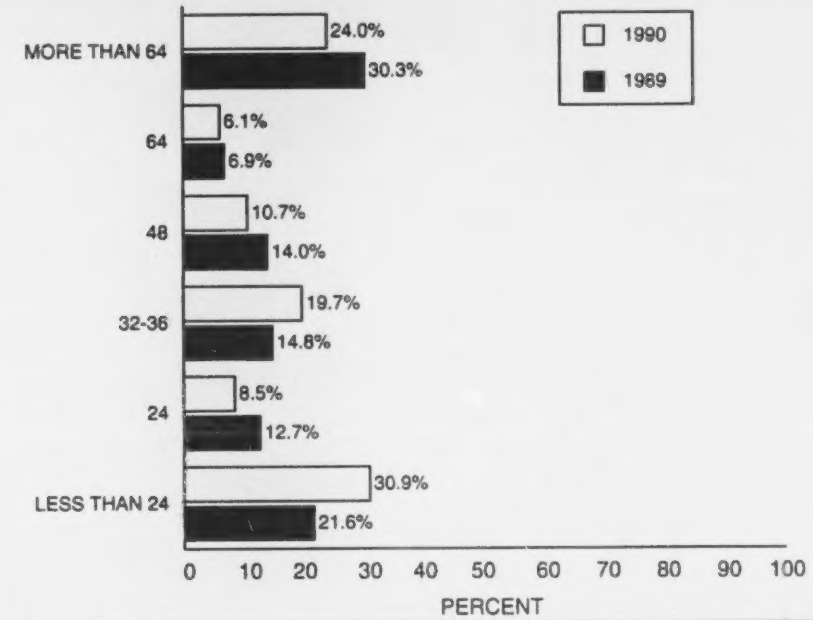
Source: Catalog Age, The CATALOG AGE Report, 1990.

SIZE OF PRIMARY CATALOG



Source: Catalog Age, The CATALOG AGE Report, 1990.

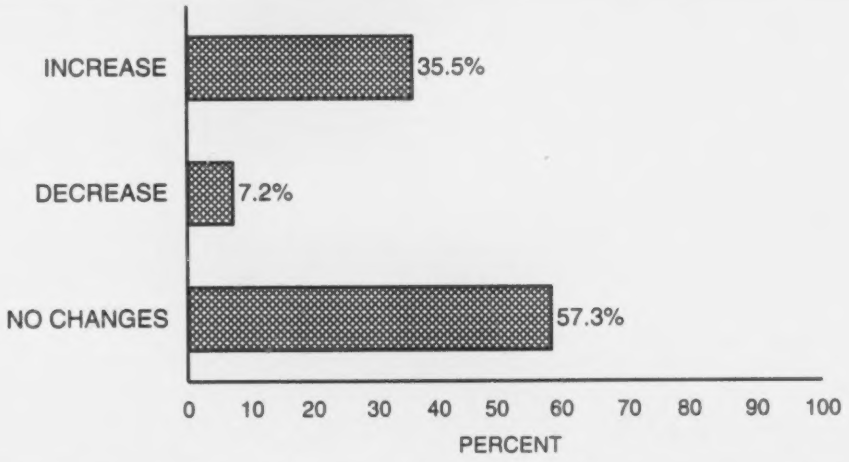
NUMBER OF PAGES IN PRIMARY CATALOG



Source: Catalog Age, The CATALOG AGE Report, 1990.

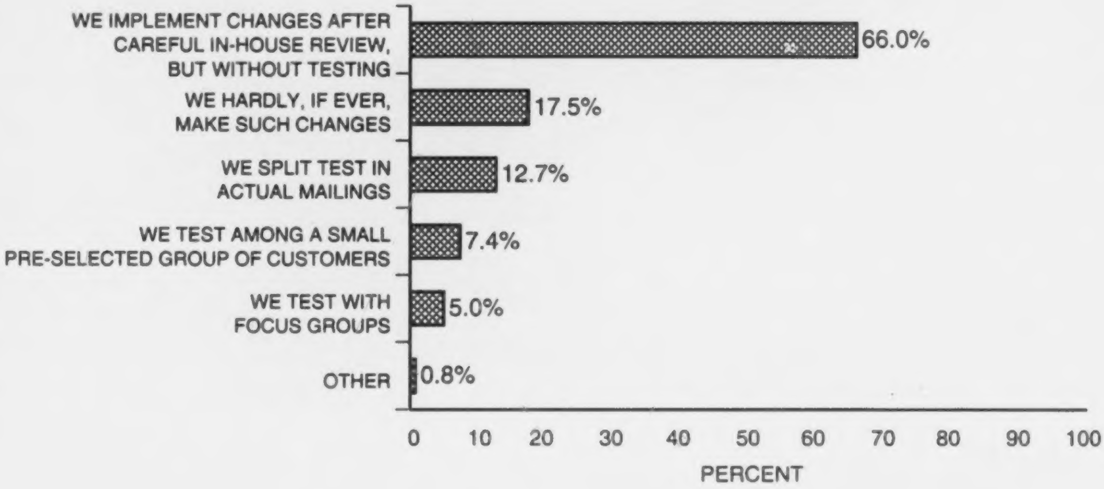
CATALOGERS' PLANS TO INCREASE OR DECREASE THE NUMBER OF PAGES IN THEIR CATALOG

In 1990, catalogers again continued the conservative trend with regard to increasing their page numbers. Most respondents (57.3%) say they plan to make no changes in the coming year.



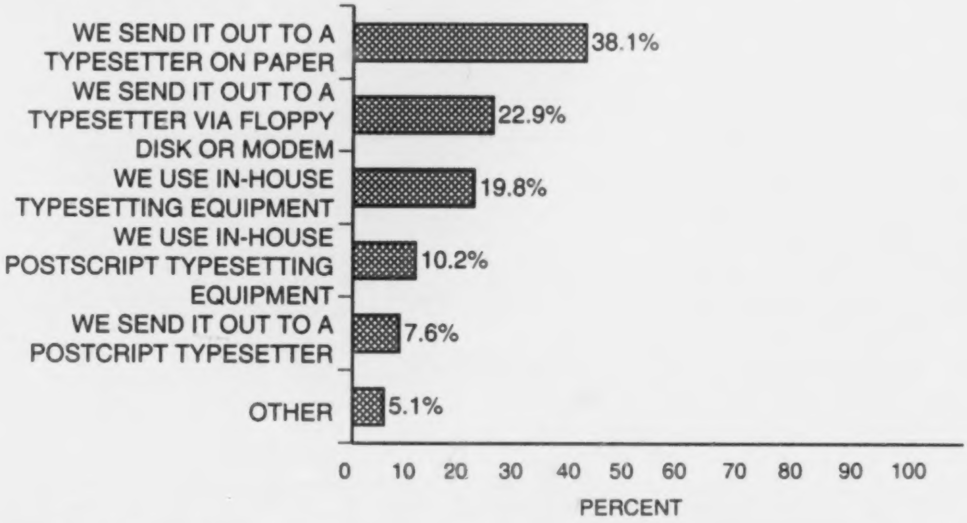
Source: Catalog Age, The CATALOG AGE Report, 1990.

STATEMENT BEST DESCRIBING HOW CATALOGERS EVALUATE SIGNIFICANT CREATIVE CHANGES



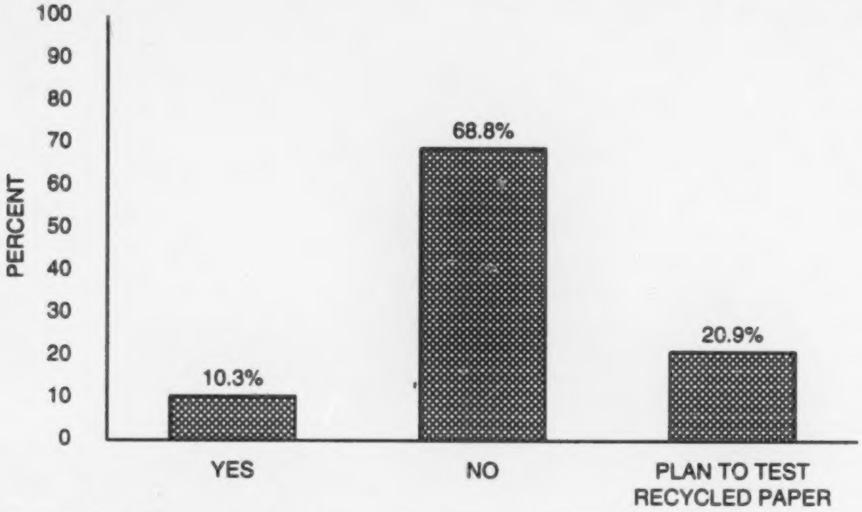
Source: Catalog Age, The CATALOG AGE Report, 1990.

HOW CATALOGERS HAVE COPY TYPESET



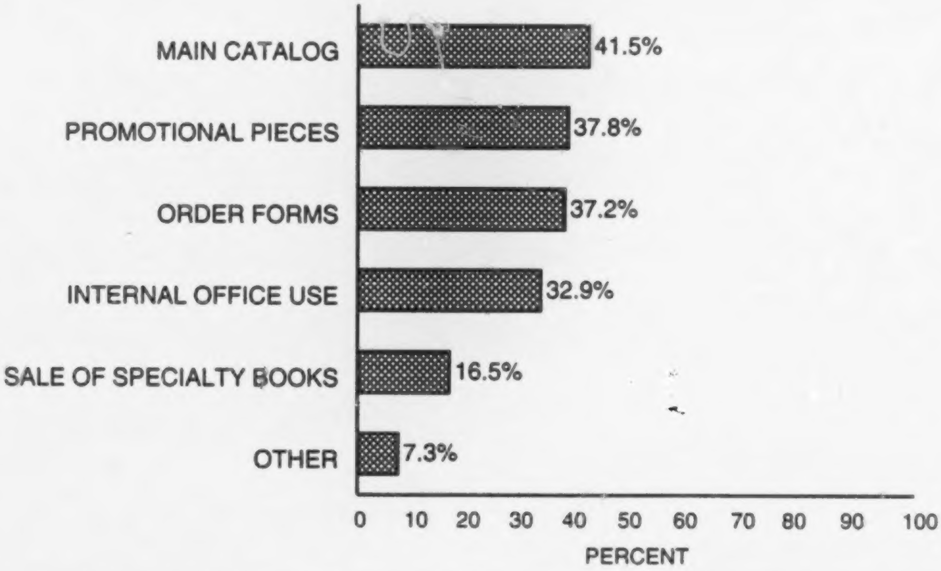
Source: Catalog Age, The CATALOG AGE Report, 1990.

WHETHER CATALOGERS USE RECYCLED PAPER



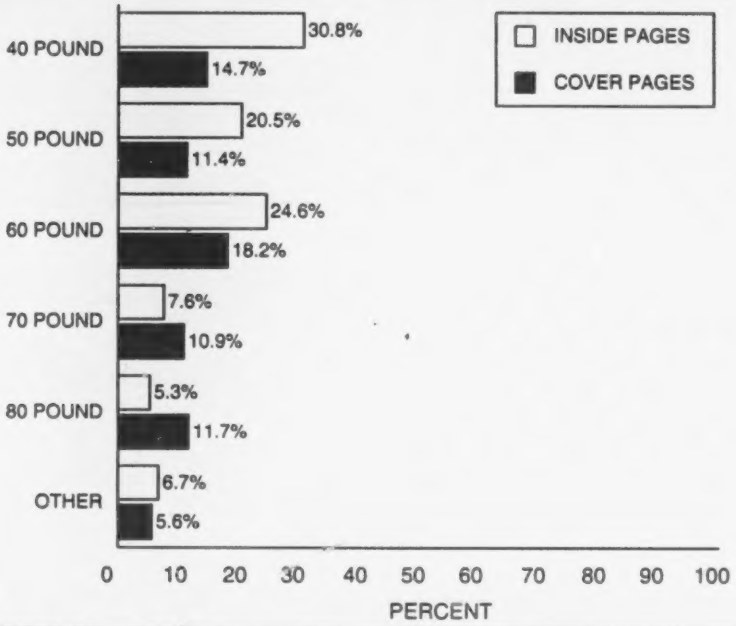
Source: Catalog Age, The CATALOG AGE Report, 1990.

APPLICATIONS NOW USED FOR RECYCLED PAPER



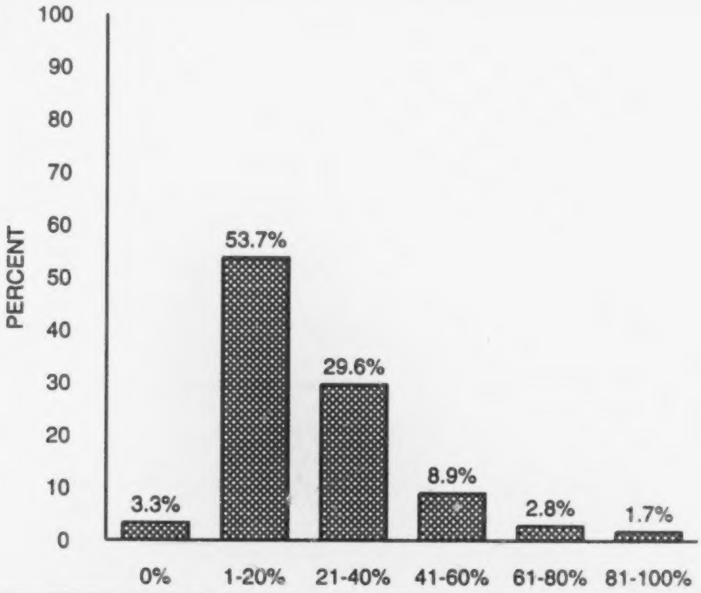
Source: Catalog Age, The CATALOG AGE Report, 1990.

WEIGHT PAPER TYPICALLY USED FOR THE INSIDE PAGES AND COVER OF CATALOG



Source: Catalog Age, The CATALOG AGE Report, 1990.

PERCENTAGE OF TOTAL NUMBER OF CATALOG PRODUCTS THAT REPRESENTS NEW ITEMS



Source: Catalog Age, The CATALOG AGE Report, 1990.

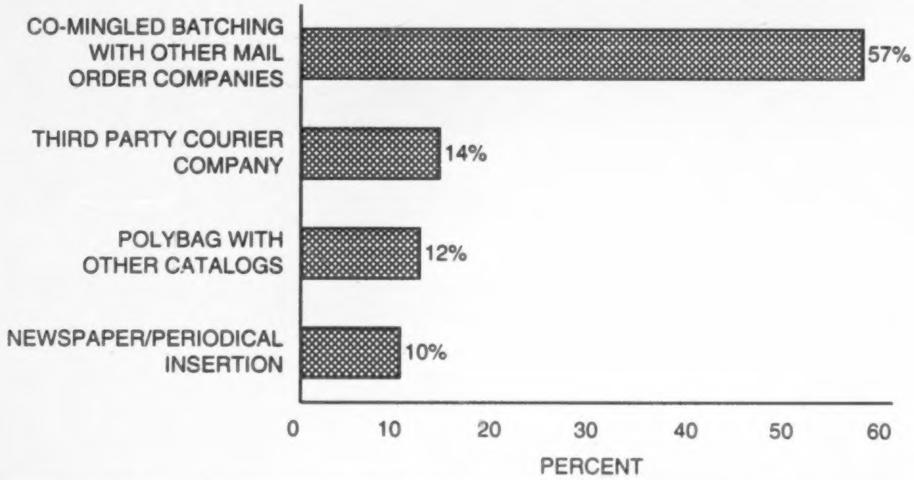
LEADING CATALOGS
RANKED BY 12-MONTH BUYERS

1990 Rank	1987 Rank	Catalog	Product	Buyers in 12 Months	Average Order
1	1	Spiegel	Home, apparel	3,800,000	$106
2	7	L'eggs	Hosiery	3,700,000	$18
3	2	Fingerhut	Misc. products	3,200,000	$50
4	3	Lillian Vernon	Misc. products	3,100,000	$38
5	5	Avon Fashions	Apparel	3,000,000	$42
6	4	L.L. Bean	Outdoor products	1,900,000	$60
7	*	Harriet Carter	Gifts	1,800,000	$29
8	*	Miles Kimball	Misc. products	1,700,000	$20
9	9	Current	Cards, misc.	1,700,000	$50
10	8	Warshawsky/Whitney	Auto products	1,600,000	$35
11	10	Lane Bryant	Women's apparel	1,400,000	$50
12	13	Swiss Colony	Food gifts	1,400,000	$65
13	15	Lands' End	Apparel. misc.	1,400,000	$65
14	11	Cabela's	Fishing products	1,300,000	$60
15	12	Figi's	Food gifts	1,300,000	$50
16	6	Spencer Gifts	Gifts	1,200,000	$23
17	20	Eddie Bauer	Outdoor products	1,200,000	$80
18	24	DAK	Electronics	1,000,000	$165
19	27	J. Crew	Apparel	965,000	$100
20	17	Breck's Dutch Bulbs	Flowers	951,000	$45
21	26	Gander Mountain	Outdoor products	930,000	$67
22	32	Chadwick's of Boston	Apparel	918,000	$70
23	23	Talbots	Apparel	906,000	$100
24	42	Spring Hill Nurseries	Seeds, plants	871,000	$40
25	19	Hanover House	Specialty products	802,000	$20
26	35	C.O.M.B.	Factory surplus	778,000	$110
27	31	Park Seed	Seeds	723,000	$14
28	18	Jackson & Perkins	Garden products	717,000	$45
29	25	Roaman's	Women's Apparel	700,000	$50
30	28	Harry & David	Food gifts	681,000	$65
31	21	Williams-Sonoma	Cookware	648,000	$46
32	29	Burpee	Seeds	605,000	$40
33	22	Popular Club Plan	Apparel, misc.	600,000	$90
34	*	Mellow Mail	Lingerie, apparel	600,000	$60
35	*	National Wholesale	Hosiery, lingerie	584,000	$30
36	*	Gurney Seed & Nursery	Seeds, plants	576,000	$20
37	*	Easy Living	Household items	575,000	$23
38	63	Wisconsin Cheeseman	Food gifts	568,000	$52
39	55	Childcraft	Toys	544,166	$53
40	68	The Company Store	Outerwear, bedding	537,000	$110
41	41	Horchow Collection	Misc. products	536,000	$90
42	40	Bedford Fair	Apparel	523,000	$64
43	16	Old Pueblo Traders	Apparel	500,000	$65
44	49	Orvis	Gifts, apparel	496,000	$78
45	52	Frederick's of Hollywood	Lingerie	496,000	$55
46	37	Abbey Press	Gifts	468,000	$30
47	48	Austad's	Golf products	465,000	$65
48	30	Ambassador Apparel	Apparel, misc.	461,000	$33
49	50	Joan Cook	Gifts, housewares	435,000	$60
50	44	Neiman-Marcus	Apparel, home	422,000	$100

*indicates that these catalogs were not on the top 50 list in 1987
Source: Target Marketing, April 1990.

CATALOGERS' PLANNED USAGE OF ALTERNATE DISTRIBUTION METHODS

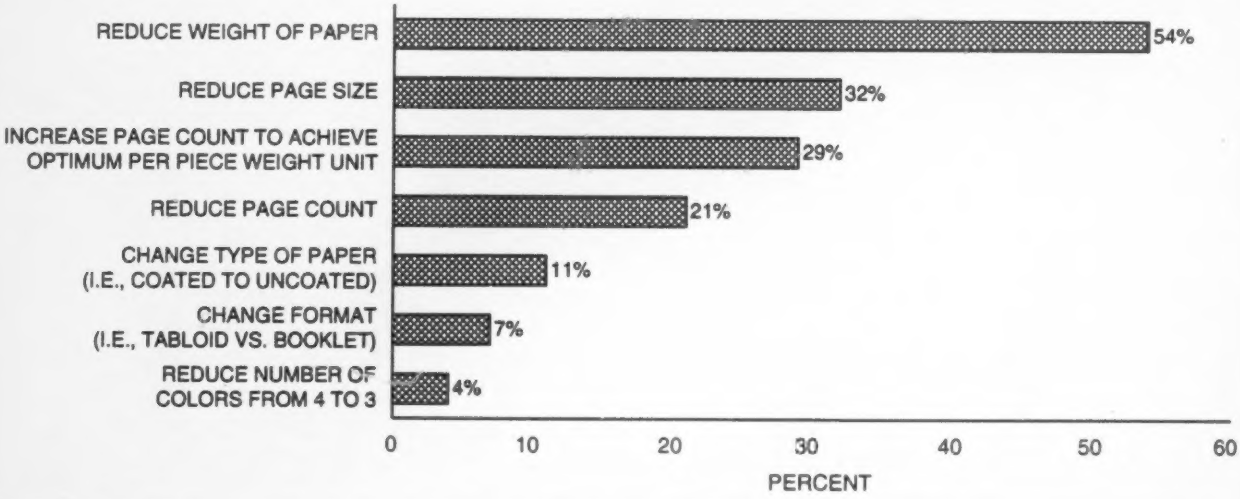
The New England Mail Order Association conducted this survey in early 1991 among 500 national catalogers drawn from the NEMOA membership. An 11.6% response was achieved. Below are the distribution methods respondents are planning to use to further cut postal costs.



Source: New England Mail Order Association, 1991.

CHANGES IN EXISTING CATALOG TO COPE WITH POSTAL RATE INCREASE

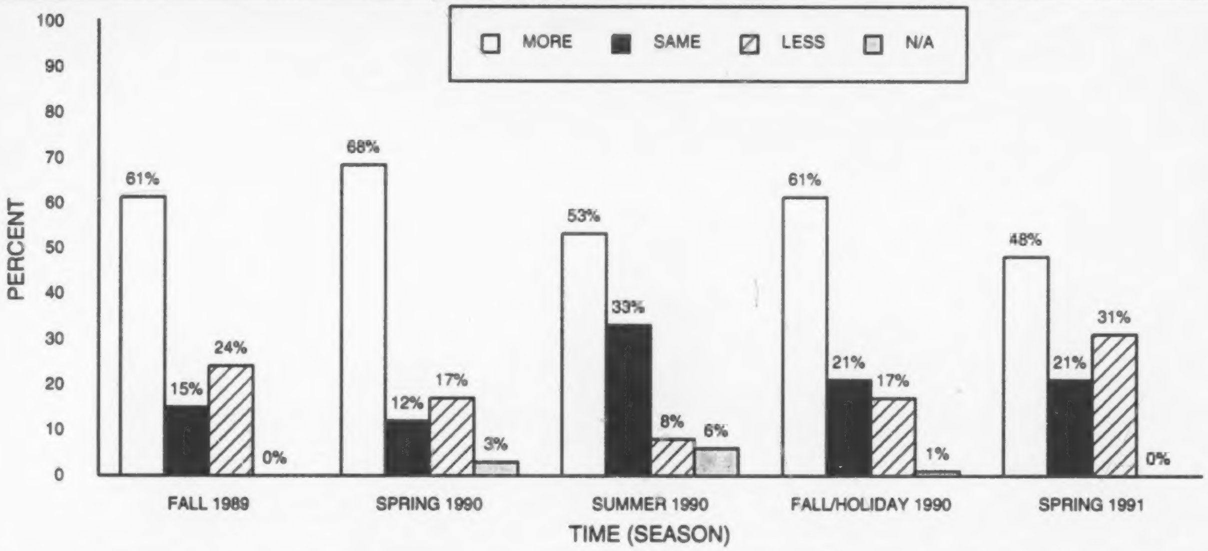
The New England Mail Order Association conducted this survey in early 1991 among 500 national catalogers drawn from the NEMOA membership. An 11.6% response was achieved. 48% of respondents indicated that they are re-designing their catalog to reduce production costs due to the postal rate increase. Below are the characteristics catalogers are changing.



Source: New England Mail Order Association, 1991.

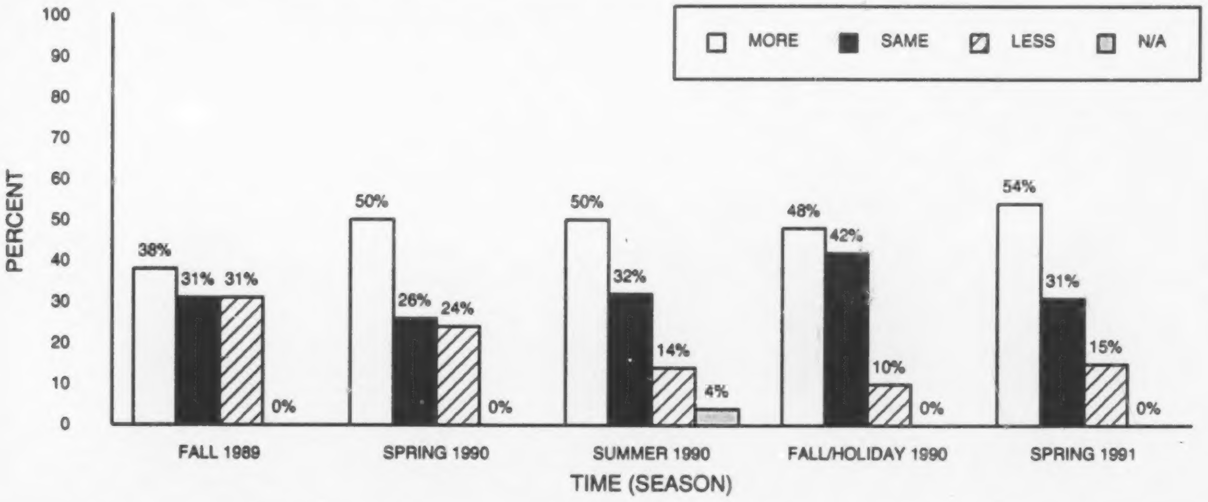
The Catalog Industry Trends Study is conducted three times per year by the DMA Research Department. It is designed to document trends within the catalog industry on a seasonal basis. The most recent survey was mailed in April, 1991 to 636 DMA Catalog members. A 14.8% response rate was achieved.

NUMBER OF CATALOGS MAILED THIS YEAR VERSUS ONE YEAR AGO
(CONSUMER CATALOGERS)



Source: DMA Research Department, Catalog Industry Trend Survey, 1991.

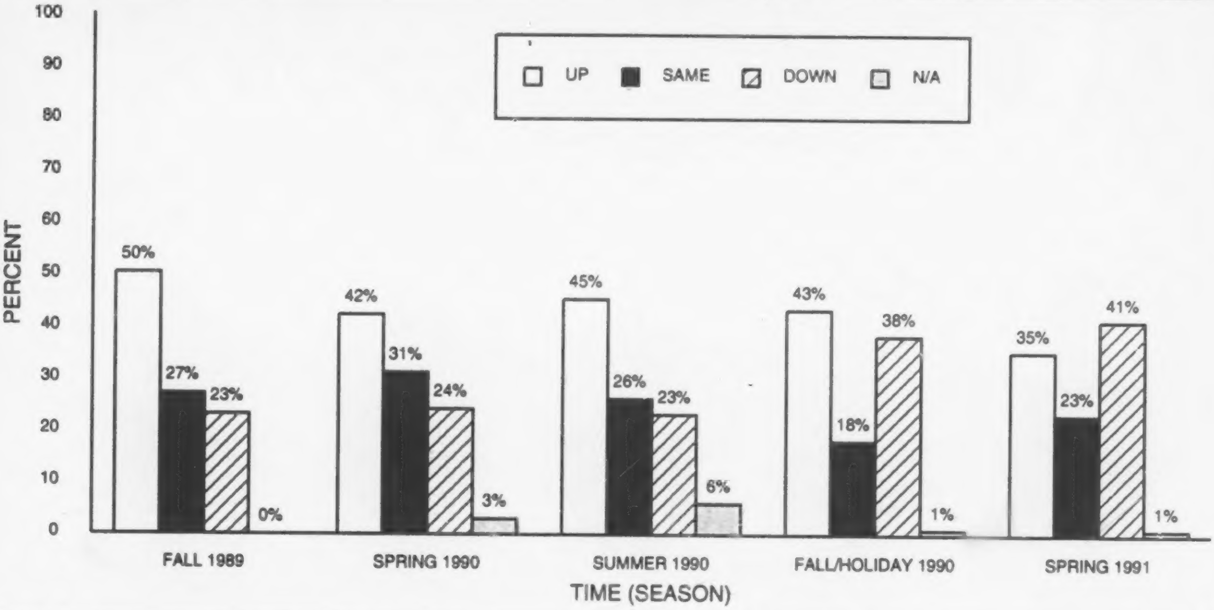
NUMBER OF CATALOGS MAILED THIS YEAR VERSUS ONE YEAR AGO
(BUSINESS-TO-BUSINESS CATALOGERS)



Source: DMA Research Department, Catalog Industry Trend Survey, 1991.

RESPONSE RATES THIS YEAR VERSUS ONE YEAR AGO

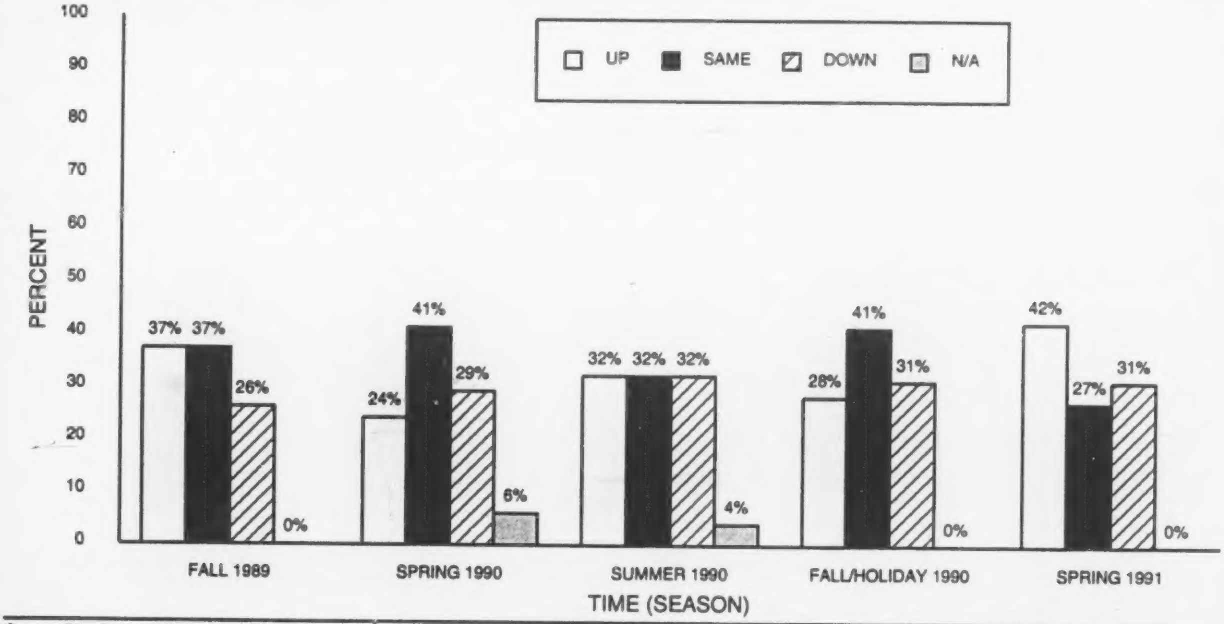
(CONSUMER CATALOGERS)



Source: DMA Research Department, Catalog Industry Trend Survey, 1991.

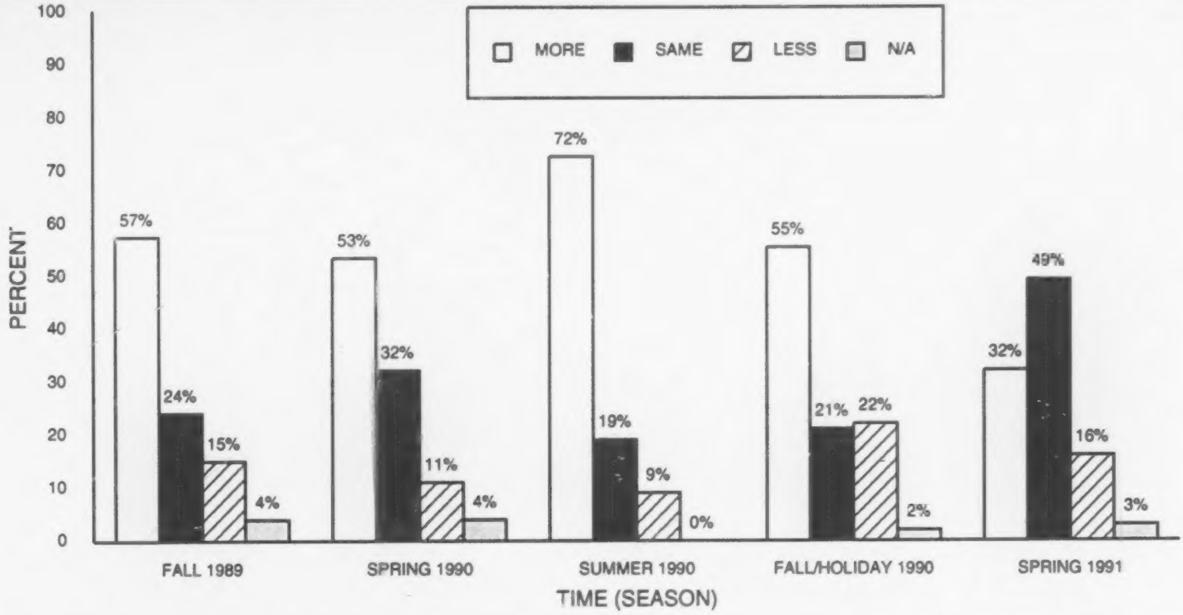
RESPONSE RATES THIS YEAR VERSUS ONE YEAR AGO

(BUSINESS-TO-BUSINESS CATALOGERS)



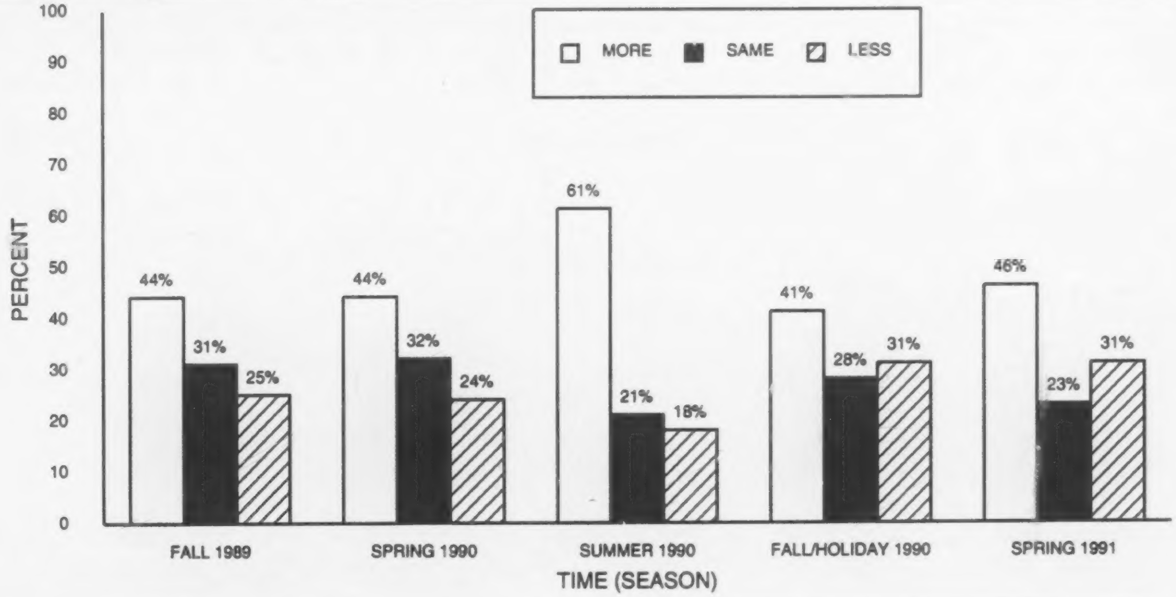
Source: DMA Research Department, Catalog Industry Trend Survey, 1991.

NEXT SEASON'S PLANS TO MAIL
(CONSUMER CATALOGERS)



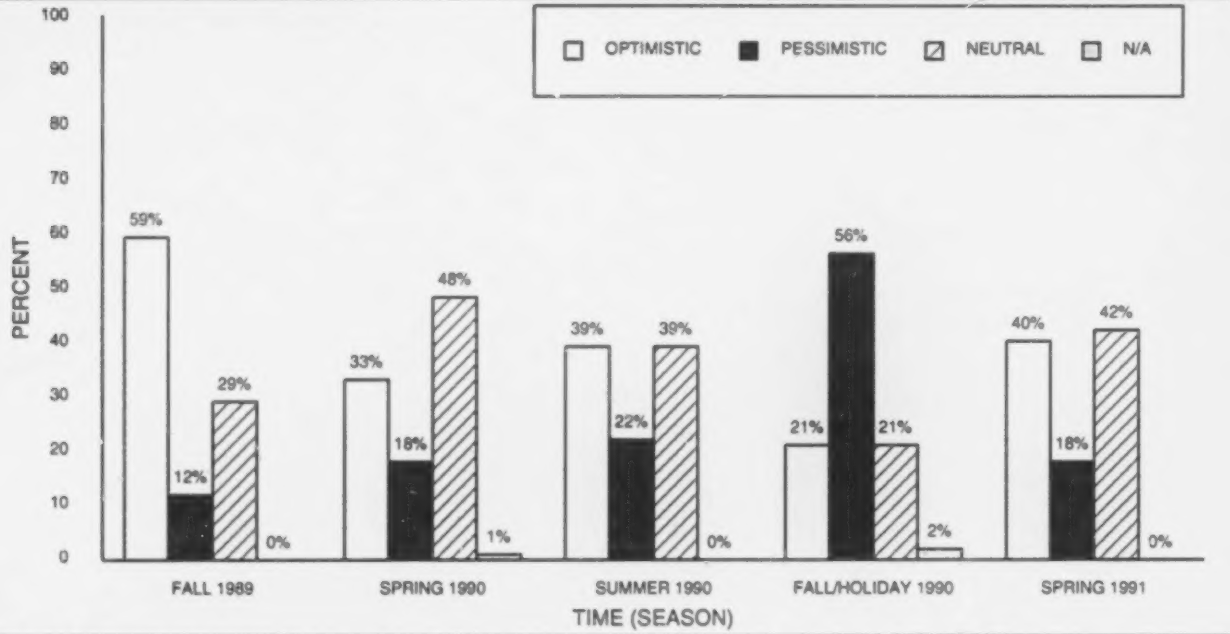
Source: DMA Research Department, Catalog Industry Trend Survey, 1991.

NEXT SEASON'S PLANS TO MAIL
(BUSINESS-TO-BUSINESS CATALOGERS)



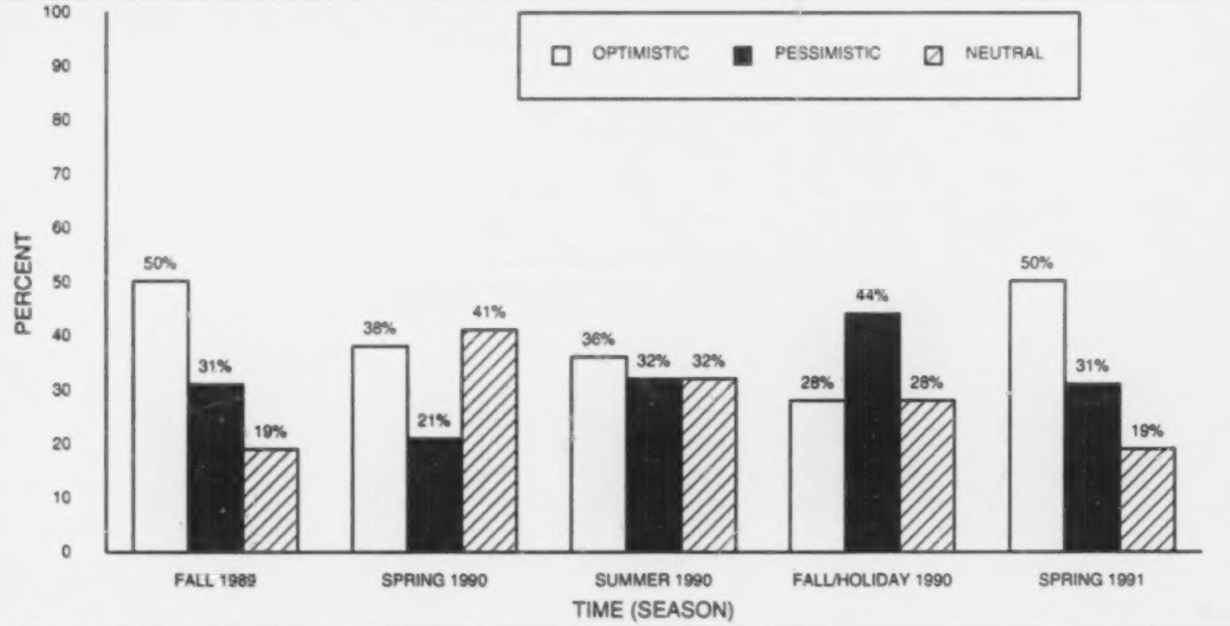
Source: DMA Research Department, Catalog Industry Trend Survey, 1991.

NEXT SEASON'S OUTLOOK
(CONSUMER CATALOGERS)



Source: DMA Research Department, Catalog Industry Trend Survey, 1991

NEXT SEASON'S OUTLOOK
(BUSINESS-TO-BUSINESS CATALOGERS)



Source: DMA Research Department, Catalog Industry Trend Survey, 1991

CATALOG-REQUEST FULFILLMENT RESULTS

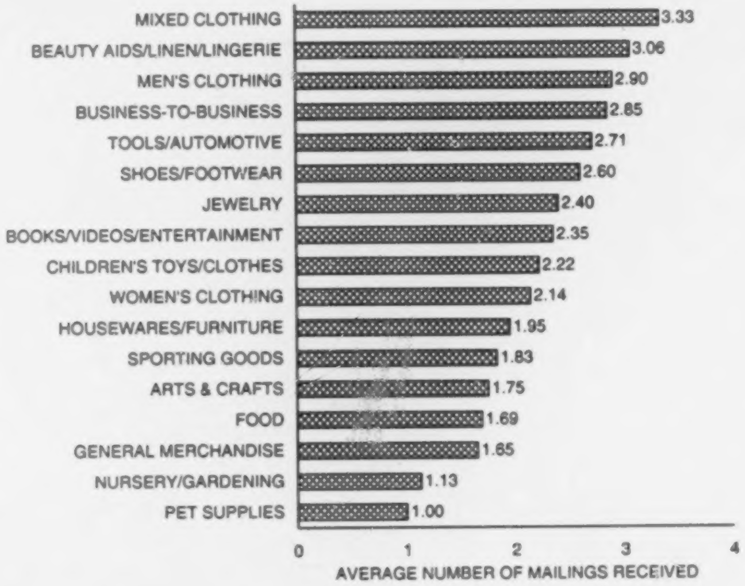
National Marketing Intelligence conducted a "shotgun" study of 321 catalogers, in 17 different product categories, to develop an overview of catalog request fulfillment. Catalogs were requested from the 321 catalogs, and length of time between the original request and receipt of the catalog were documented. The catalogers that fulfilled catalog requests the fastest used first-class mail, while those at the bottom of the scale used third-class.

	Number of days to fulfill request			
Product Group	**Average**	**Median**	**Best Case**	**Worst Case**
Business-to-business	19.2	9.0	5	96
Pet supplies	19.5	19.5	11	28
Food	20.3	16.0	5	73
Mixed clothing	25.2	20.0	6	53
Beauty aids/linen/lingerie	25.7	20.0	9	67
Shoes/footwear	25.8	26.0	6	49
Men's clothing	26.5	24.0	5	97
Jewelry	28.3	23.0	6	60
Children's toys/clothing	31.3	26.0	7	100
Arts & crafts	33.0	23.0	5	110
Sporting goods	33.5	25.5	5	133
General merchandise	36.0	30.0	6	143
Books/videos/entertainment	38.5	38.5	6	110
Tools/automotive	44.2	39.0	7	90
Women's clothing	48.8	34.0	9	151
Housewares/furniture	49.5	32.0	4	185
Nursery/gardening	81.1	93.0	9	189
Overall	**31.3**	**33.2**	**4**	**189**

Source: Catalog Age/National Marketing Intelligence, 1990.

AVERAGE NUMBER OF MAILINGS TO REQUESTERS

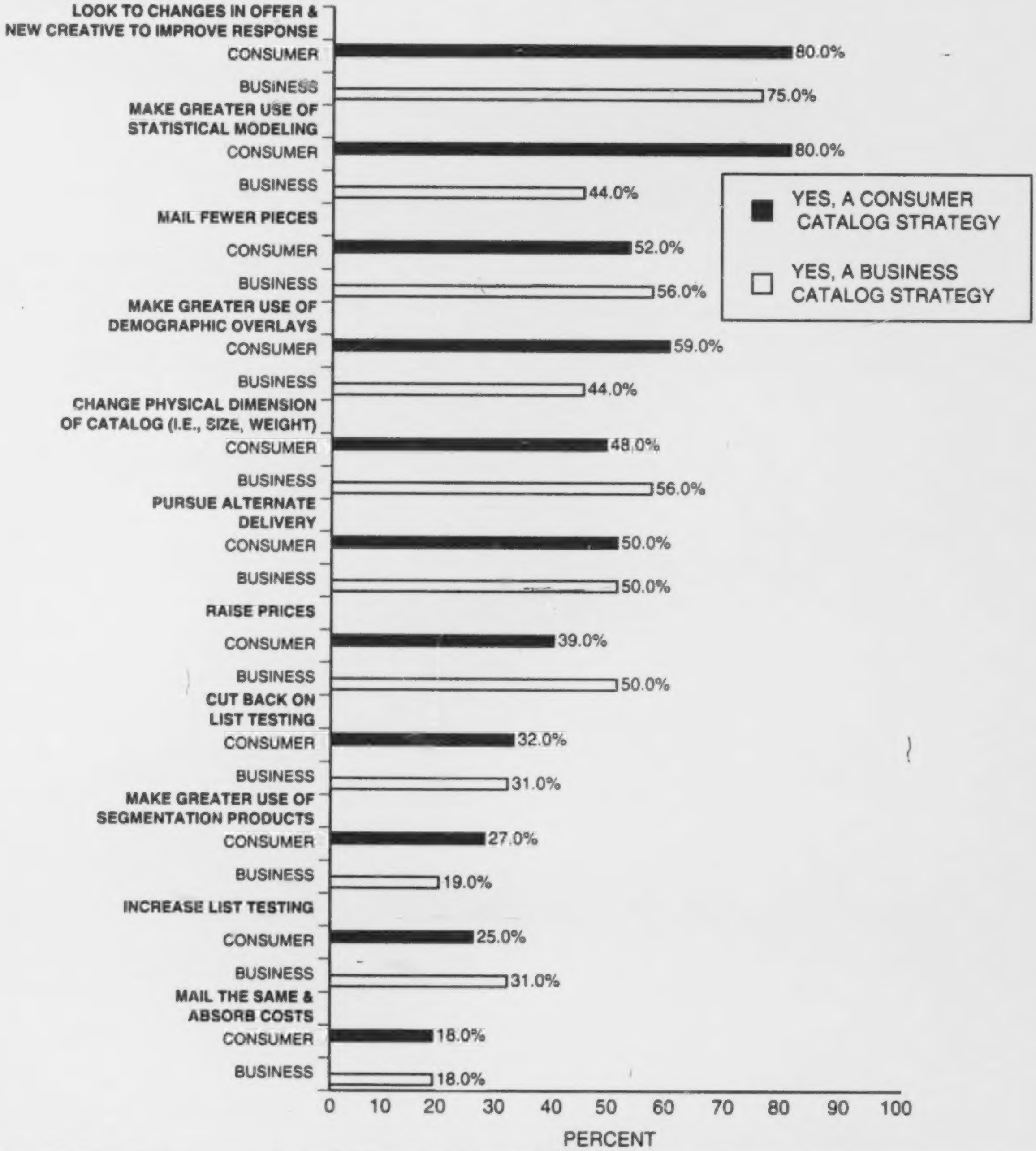
Seventy percent of the catalogers tracked sent repeat mailings to their request names; 35 percent sent more than two mailings in the six-month test period.



Source: Catalog Age/National Marketing Intelligence, 1990.

CATALOG STRATEGIES TO IMPROVE RESULTS AND OFFSET INCREASED POSTAGE IN 1991

(CONSUMER AND BUSINESS CATALOGS)



Source: DMA Marketing Practices and Performance Survey, conducted by the Direct Marketing Association in cooperation with David Shepard and Associates, Inc., 1990.

NUMBER OF CATALOG AND MAIL ORDER HOUSES BY STATE

The U. S. Bureau of Census defines catalog and mail order houses as establishments primarily engaged in the retail sale of products by television, catalog, and mail-order. These establishments do not ordinarily maintain stock for sale on the premises. Separate stores operated by catalog and mail order houses for the retail sale of products on the premises are classified according to the product sold. This category (SIC 5961) includes:

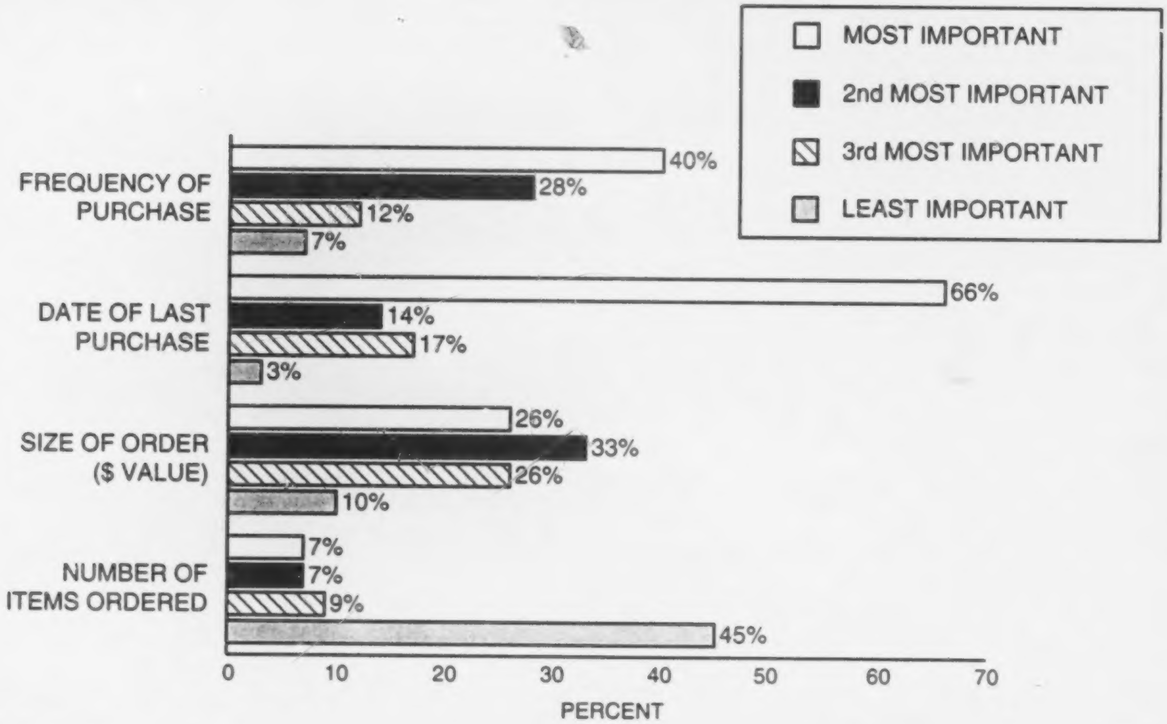
Book clubs, not publishing
Books, mail-order–retail
Catalog (order taking) offices of mail-order houses–retail
Cheese, mail-order–retail
Coins, mail-order–retail
Computer and peripheral equipment, mail-order–retail
Computer software, mail-order–retail
Food, mail-order–retail
Fruit, mail-order–retail
Jewelry, mail-order–retail
Magazines, mail-order–retail
Mail-order houses–retail (not including retail outlets)
Novelty merchandise, mail-order–retail
Order taking offices of mail-order houses–retail
Record clubs, mail-order–retail
Stamps, mail-order–retail
Television, mail-order (home shopping)–retail

Geographic Area	#Establishments	Receipts ($1,000)
United States	**7 227**	**20 346 643**
Alabama	97	96 491
Alaska	20	22 106
Arizona	113	258 349
Arkansas	94	(D)
California	813	1 554 424
Colorado	90	162 727
Connecticut	113	604 952
Delaware	15	24 064
District of Columbia	18	18 405
Florida	311	1 018 262
Georgia	203	336 780
Hawaii	8	9 263
Idaho	32	17 033
Illinois	318	2 026 808
Indiana	123	1 047 602
Iowa	97	73 200
Kansas	105	107 615
Kentucky	104	99 251
Louisiana	111	70 842
Maine	53	(D)
Maryland	129	157 620
Massachusetts	194	616 082
Michigan	185	279 620
Minnesota	176	1 201 010
Mississippi	77	49 580
Missouri	177	400 070
Montana	36	20 120
Nebraska	53	158 840
Nevada	48	102 339
New Hampshire	77	225 323
New Jersey	222	855 356
New Mexico	39	51 179
New York	623	2 127 171
North Carolina	201	291 113
North Dakota	24	19 648
Ohio	240	631 010
Oklahoma	81	56 185
Oregon	136	319 837
Pennsylvania	341	1 830 487
Rhode Island	18	75 398
South Carolina	68	85 851
South Dakota	28	65 805
Tennessee	158	144 238
Texas	382	607 401
Utah	49	45 163
Vermont	43	96 702
Virginia	186	504 969
Washington	146	194 106
West Virginia	52	41 478
Wisconsin	174	928 522
Wyoming	26	31 775

NOTE: (D) denotes figures withheld to avoid disclosure of operations of individual establishments

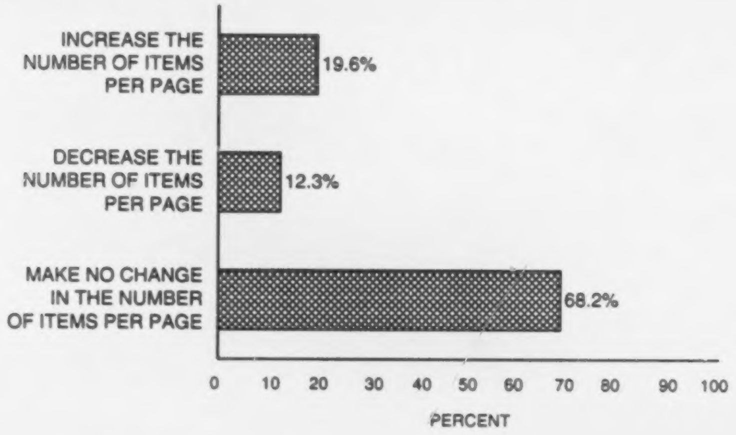
Source: U.S. Bureau of Census, 1987 Census of Business (figures released in June 1990).

CHARACTERISTICS USED IN RATING CURRENT CUSTOMERS



Source: New England Mail Order Association, 1991.

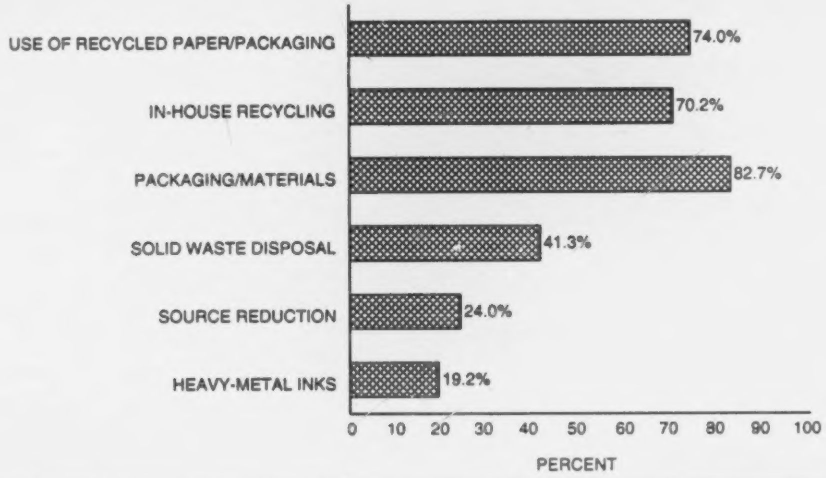
STRATEGY REGARDING THE AVERAGE NUMBER OF ITEMS PER PAGE IN RESPONDENTS' PRIMARY CATALOG OVER THE NEXT 12 MONTHS



Source: Catalog Age, The CATALOG AGE Report, 1990.

In March, 1990, the Direct Marketing Association formed an industry Task Force on Environmental Issues in order to identify ways in which direct marketers can support environmentally-sound practices. The following charts are taken from a study that was designed to determine DMA voting members' awareness of environmental questions as they relate to their business. In May, 1990, a questionnaire was sent to 2,881 DMA voting members. A 20.6% response rate was achieved.

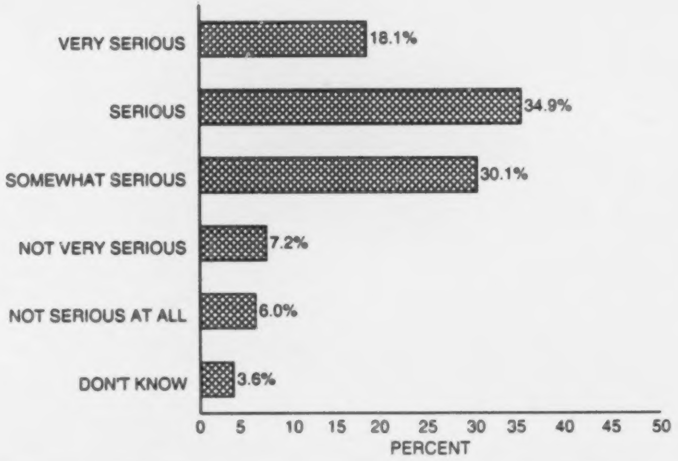
ENVIRONMENTAL ISSUES RELATING DIRECTLY TO CONSUMER CATALOGERS' BUSINESS



Source: DMA Environmental Task Force/DMA Research Department, 1990.

SERIOUSNESS OF ENVIRONMENTAL ISSUES AFFECTING CONSUMER CATALOGERS' BUSINESS

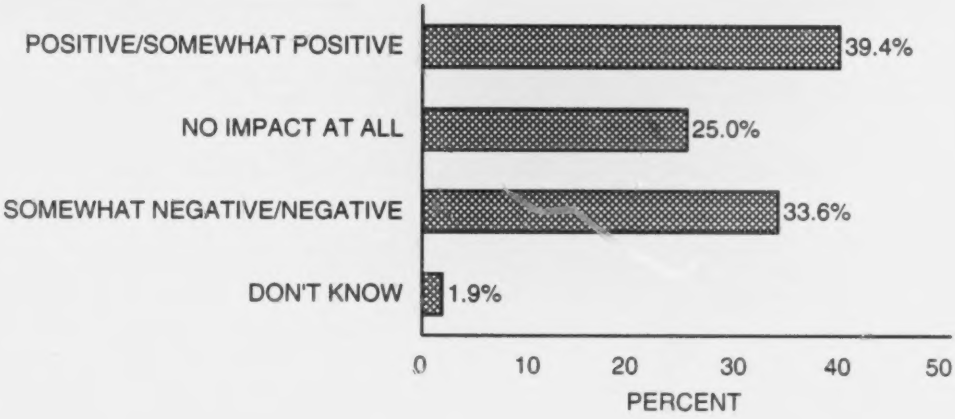
Respondents who indicated that environmental issues represent specific business questions affecting their organization were asked to rate how serious they consider these issue to be. More than half (53.0%) consider environmental issues to be "very serious" or "serious" to their business.



Source: DMA Environmental Task Force/DMA Research Department, 1990.

CONSUMER CATALOGERS' PERCEIVED IMPACT ON ENVIRONMENTAL ISSUES

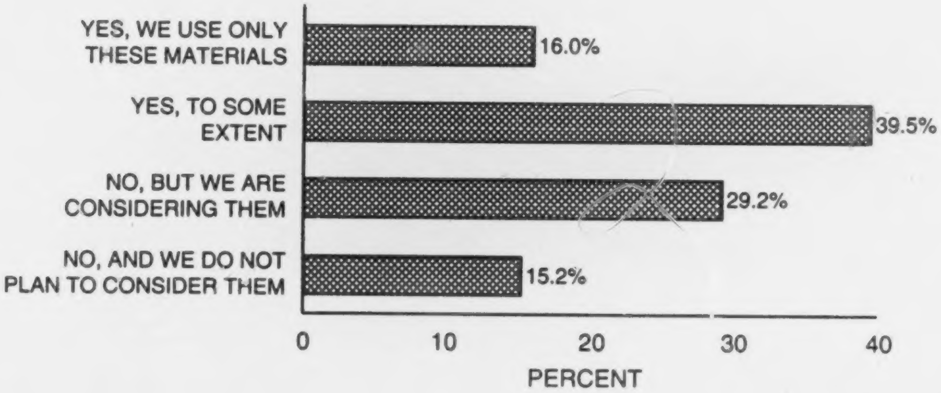
Consumer catalogers were asked to indicate the overall impact they believe their organization has on environmental problems.



Source: Catalog Age, The Catalog Age Report, 1990.

PERCENTAGE OF CATALOGERS USING BIODEGRADABLE PACKING MATERIAL

With continued environmental concern, over half of surveyed catalogers (55.5% of base total of 349) either use only biodegradable packing material, or at least use it to some extent.



Source: Catalog Age, The Catalog Age Report, 1990.

• TELEPHONE

CONSUMER ATTITUDES

BUYING HABITS

COSTS

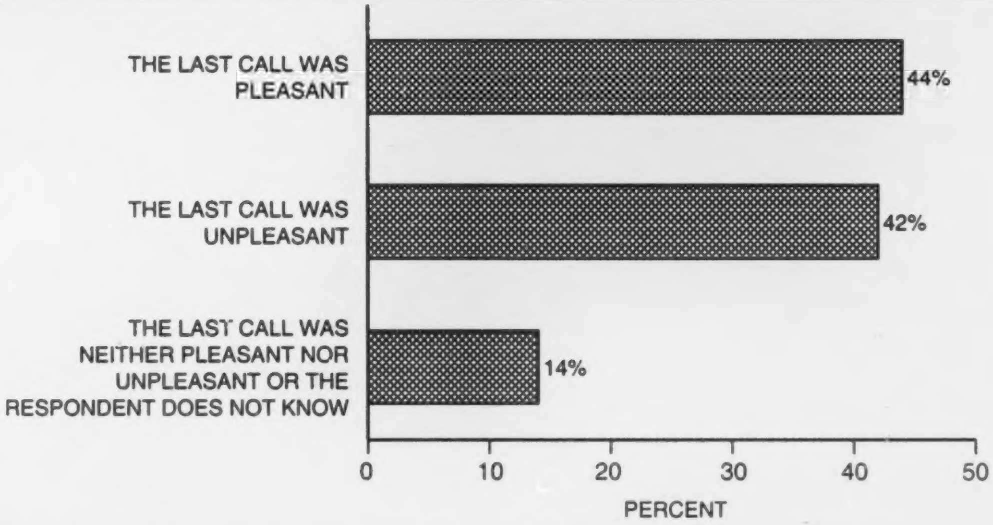
TRENDS

PROJECTIONS

Survey Sampling, Inc. conducted this study with Walker Research, Inc. to gain a better understanding of how consumers regard the telemarketing industry. From July 9 through July 24, 1990, a survey of 202 telephone interviews were conducted among a nationally representative sample of male and female heads of households.

CONSUMER'S OVERALL IMPRESSION OF LAST TELEMARKETING CALL RECEIVED

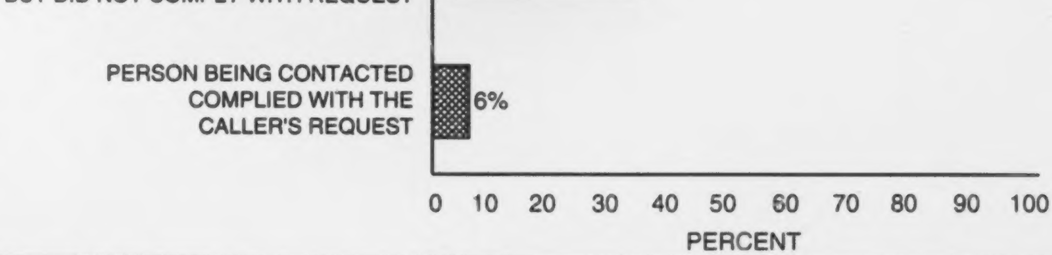
OF THOSE WHO HAVE RECEIVED A TELEMARKETING CALL IN THE PAST YEAR (142 RESPONDENTS)



Source: Walker Research/Survey Sampling, 1991.

CONSUMER'S REPORTED DISPOSITION OF TELEMARKETING CALL

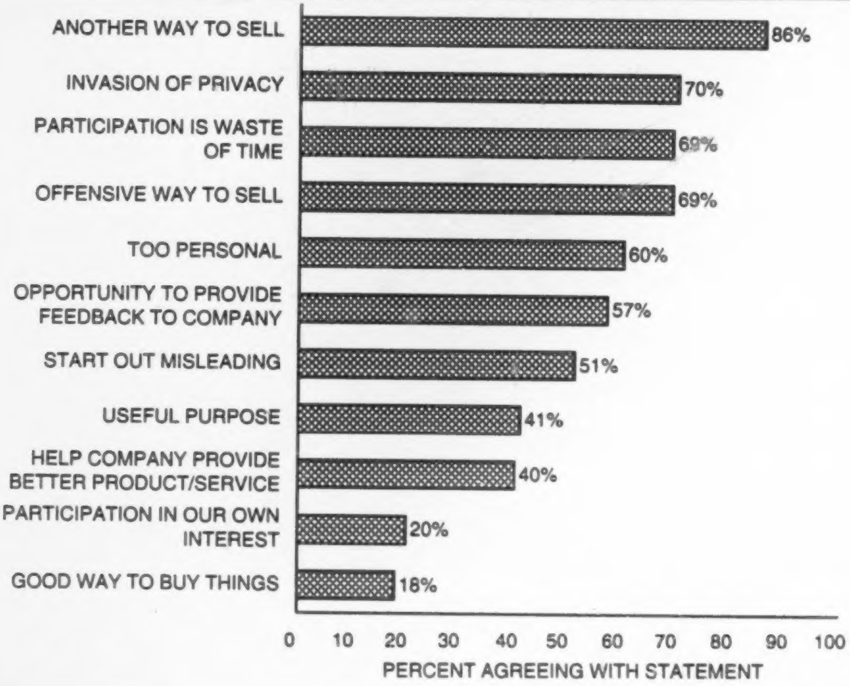
OF THOSE WHO HAVE RECEIVED A TELEMARKETING CALL IN THE PAST YEAR (142 RESPONDENTS)



Source: Walker Research/Survey Sampling, 1991.

CONSUMER'S STATEMENTS REGARDING TELEMARKETING CALLS

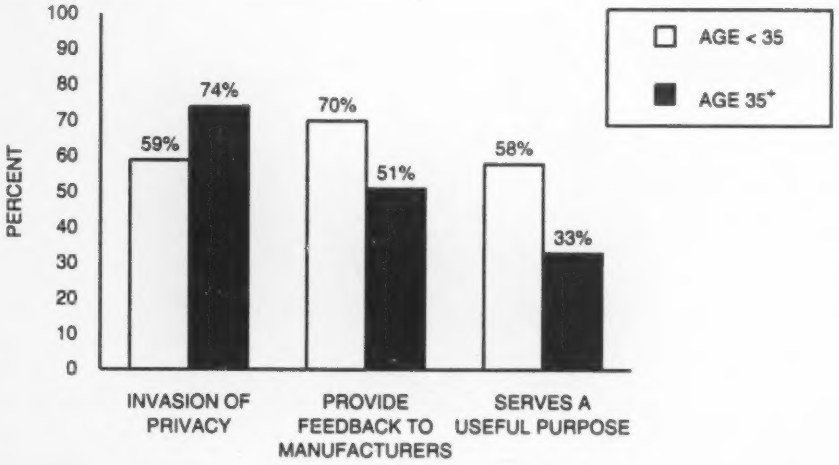
OF THOSE WHO HAVE EVER RECEIVED A TELEMARKETING CALL (166 RESPONDENTS)



Source: Walker Research/Survey Sampling, 1991.

CONSUMER'S STATEMENTS REGARDING TELEMARKETING CALLS BY AGE OF RESPONDENT

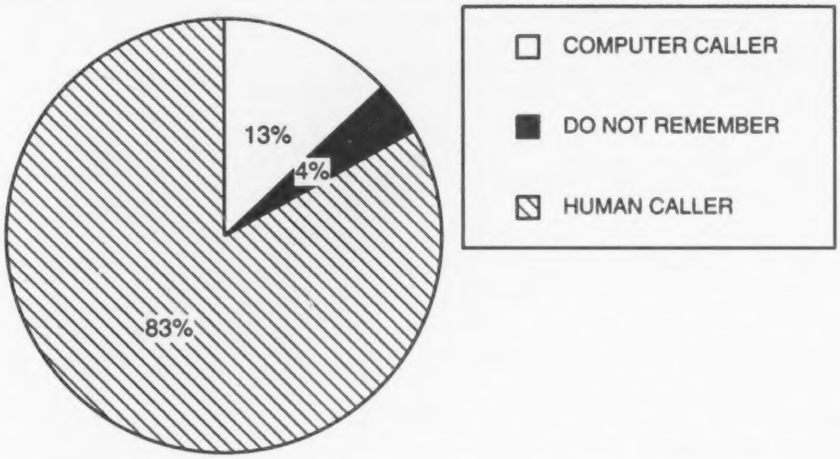
OF THOSE WHO HAVE EVER RECEIVED A TELEMARKETING CALL (166 RESPONDENTS)



Source: Walker Research/Survey Sampling, 1991.

TYPE OF CALLER ON LAST TELEMARKETING CALL RECEIVED

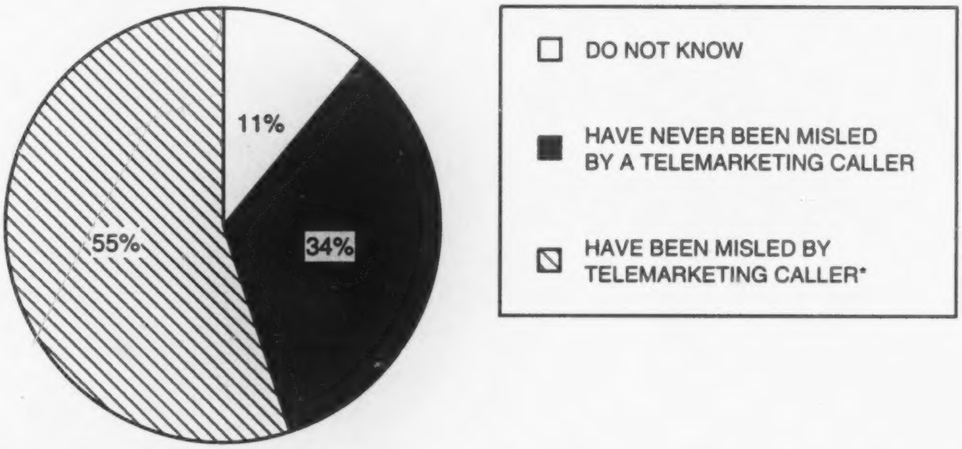
OF THOSE WHO HAVE RECEIVED A TELEMARKETING CALL IN THE PAST YEAR (142 RESPONDENTS)



Source: Walker Research/Survey Sampling, 1991.

CONSUMER'S ATTITUDES ABOUT EVER HAVING BEEN MISLEAD BY TELEMARKETER

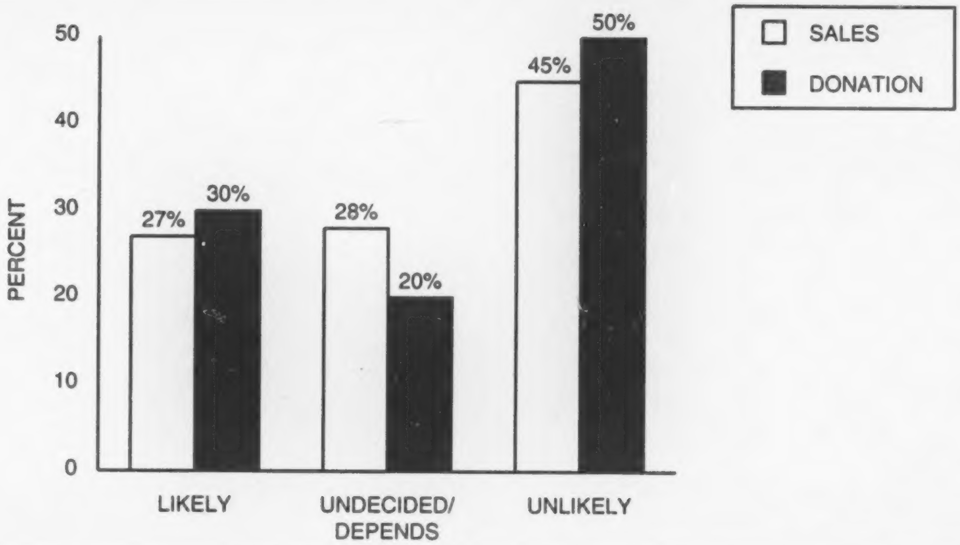
OF THOSE WHO HAVE EVER RECEIVED A TELEMARKETING CALL (142 RESPONDENTS)



*Most frequently mentioned misleading tactics are "Won Prize" and "Survey Disguise"

Source: Walker Research/Survey Sampling, 1991.

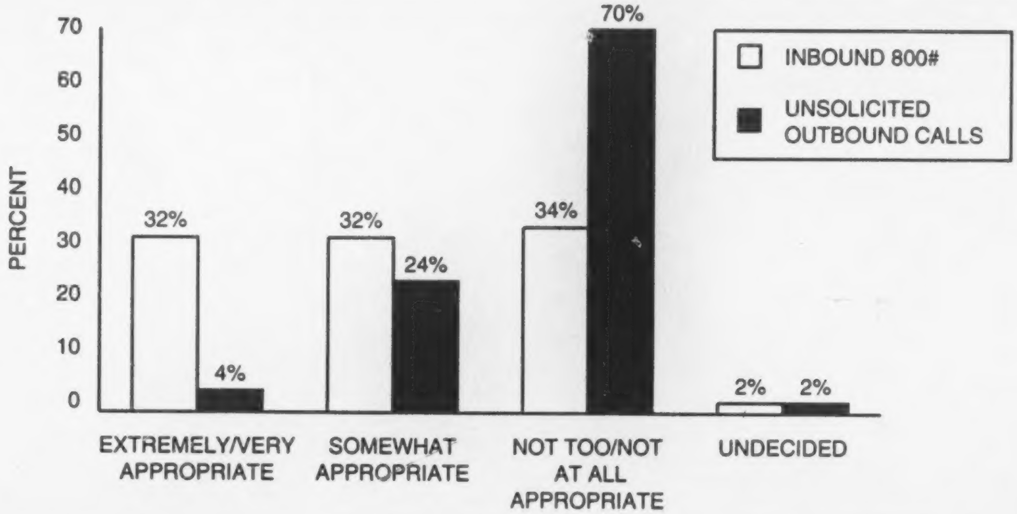
CONSUMER'S LIKELIHOOD OF RETURNING CALL LEFT ON ANSWERING MACHINE



Source: Walker Research/Survey Sampling, 1991.

CONSUMER'S PERCEPTIONS OF INBOUND 800 NUMBERS VS. OUTBOUND TELEMARKETING CALLS

A nationwide study was conducted for MATRIXX Marketing in December, 1990 to gauge consumer's attitudes about telemarketing. The sample size was 400 adults aged 18 to over 65, enabling projection to the entire U.S. adult population at a 95% confidence level with a ± 4.9% sampling error. The results below indicate respondents' ratings of TV, print, radio or direct mail ads that prompt consumers to call a toll-free number answered by a sales representative vs. unsolicited calls made to consumers.



Source: Matrixx Marketing, Inc., 1991.

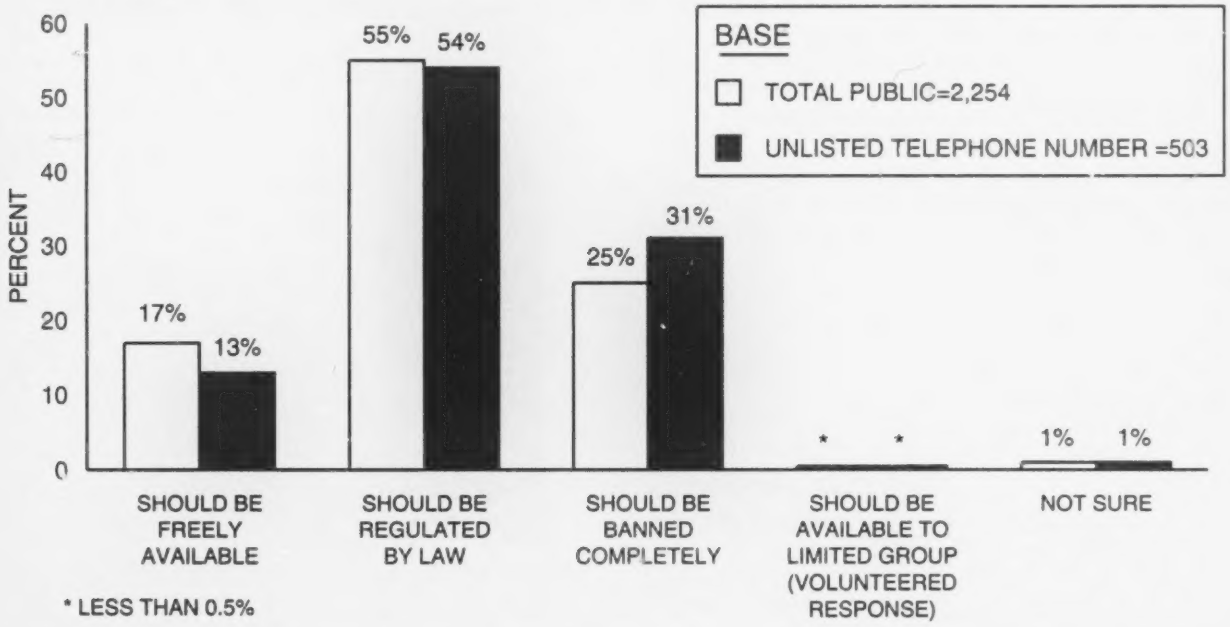
The following charts are taken from the *Equifax Report on Consumers in the Information Age*, a national opinion study exploring public and leadership experiences with, and attitudes toward, the use of personal information in a wide variety of contexts. The survey, consisting mainly of interviews conducted with a cross section of 2,254 Americans eighteen years of age and older, was conducted in early 1990.

CONSUMER'S SENTIMENTS ON WHETHER TELEPHONE COMPANIES SHOULD BE ALLOWED TO SELL CALLER ID

	Total Public	Yes, Should Be Allowed To Sell %	No, Shouldn't Be Allowed To Sell %	Not Sure %
Base	2,254	55	43	2
Sex				
Male	1,082	60	38	2
Female	1,172	50	48	2
Unlisted Telephone	487	51	47	2

Source: Equifax, Inc., The Equifax Report on Consumers in the Information Age, 1990.

CONSUMER'S SENTIMENTS REGARDING CALLER ID



Source: Equifax, Inc., The Equifax Report on Consumers in the Information Age, 1990.

TOTAL POPULATION ORDERING BY TELEPHONE BY DEMOGRAPHIC CATEGORY

The Study of Media and Markets is a syndicated study based on a stratified multistage area probability sample of 19,373 adults in 1989 and 19,874 in 1990, interviewed between the months of July and June. The product usage and buying behavior data was gathered through self-administered questionnaires and personal interviews. The results (below) were then projected to reflect the entire U.S. population, estimated to be 178,193,000 in 1989 and 181,131,000 in 1990.

	1989 Total U.S. (000)	1989 Total U.S. Buyers (000)	% Any Product	1990 Total U.S. (000)	1990 Total U.S. Buyers (000)	% Any Product	% Change from 1989 to 1990 Total Buyers	Total Change in Buyers by Phone 1989—1990 (000)
TOTAL ADULTS	178,193	40,037	22.5	181,131	62,325	34.4	+55.7%	+22,288
MALES	85,056	17,855	21.0	86,476	25,477	29.5	+42.7%	+7,622
FEMALES	93,136	22,183	23.8	94,655	36,848	38.9	+66.1%	+14,665
18—24	25,713	5,389	21.0	25,507	7,244	28.4	+34.4%	+1,855
25—34	43,283	11,298	26.1	43,858	16,831	38.4	+49.0%	+5,533
35—44	34,804	9,552	27.4	36,206	15,223	42.0	+59.4%	+5,671
45—54	23,902	5,846	24.5	24,795	9,037	36.4	+54.6%	+3,191
55—64	21,733	4,195	19.3	21,496	6,808	31.7	+62.3%	+2,613
65 OR OLDER	28,756	3,758	13.1	29,268	7,182	24.5	+91.1%	+3,424
GRADUATED COLLEGE	32,799	9,958	30.4	34,578	15,991	46.2	+60.6%	+6,033
ATTENDED COLLEGE	32,672	8,931	27.3	33,812	13,404	39.6	+50.0%	+4,473
GRADUATED HIGH SCHOOL	70,684	15,594	22.1	71,180	24,562	34.5	+57.5%	+8,968
DID NOT GRADUATE HIGH SCHOOL	42,039	5,554	13.2	41,560	8,368	20.1	+50.7%	+2,814
PROFESSIONAL/MANAGER	29,483	9,316	31.6	31,879	15,063	47.3	+61.7%	+5,747
TECHNICAL/CLERICAL SALES	36,012	9,678	26.9	37,678	15,517	41.2	+60.3%	+5,839
PRECISION/CRAFT	14,266	3,215	22.5	14,826	4,569	30.8	+42.1%	+1,354
OTHER EMPLOYED	30,959	6,011	19.4	35,775	10,919	30.5	+81.7%	+4,908
SINGLE	38,354	8,217	21.4	39,788	11,226	28.2	+36.6%	+3,009
MARRIED	107,815	26,035	24.1	108,473	42,668	39.3	+63.9%	+16,633
DIVORCED/SEPARATED/WIDOWED	32,024	5,785	18.1	32,870	8,431	25.6	+45.7%	+2,646
PARENTS	59,509	15,704	26.4	60,843	24,585	40.4	+56.6%	+8,881
NORTHEAST-CENSUS	37,709	8,138	21.6	38,551	13,842	35.9	+70.1%	+5,704
MIDWEST	43,858	11,505	26.2	44,079	18,180	41.2	+58.0%	+6,675
SOUTH	61,120	13,371	21.9	62,458	19,820	31.7	+48.2%	+6,449
WEST	35,505	7,024	19.8	36,042	10,483	29.1	+49.2%	+3,459
HOUSEHOLD INCOME								
$60,000 OR MORE	19,957	6,002	30.1	31,937	14,425	45.2	+140.3%	+8,423
$50,000 OR MORE	31,697	9,656	30.5	47,508	21,850	46.0	+126.3%	+12,194
$40,000 OR MORE	53,998	16,657	30.8	68,804.	30,374	44.1	+82.3%	+13,717
$30,000 OR MORE	83,793	24,855	29.7	96,864	41,572	42.9	+67.3%	+16,717
$30,000—$39,999	29,795	8,198	27.5	28,060	11,199	39.9	+36.6%	+3,001
$20,000—$29,999	34,040	6,538	19.2	30,796	9,843	32.0	+50.6%	+3,305
$10,000—$19,999	38,419	5,962	15.5	32,038	7,514	23.5	+26.0%	+1,552
UNDER $10,000	21,942	2,682	12.2	21,433	3,395	15.8	+26.6%	+713
HOUSEHOLD SIZE								
1 PERSON	22,006	3,587	16.3	23,081	5,462	23.7	+52.3%	+1,875
2 PEOPLE	57,453	12,159	21.2	59,128	19,297	32.6	+58.7%	+7,138
3 OR 4 PEOPLE	71,838	18,310	25.5	73,074	27,656	37.8	+51.0%	+9,346
5 OR MORE PEOPLE	26,896	5,981	22.2	25,847	9,910	38.3	+65.7%	+3,929
CHILDREN								
NO CHILD IN HOUSEHOLD	106,426	21,788	20.5	108,398	34,125	31.5	+56.6%	+12,337
CHILDREN UNDER 2 YEARS	14,122	3,293	23.3	15,433	5,637	36.5	+71.2%	+2,344
2—5 YEARS	26,410	6,581	24.9	25,280	9,942	39.3	+51.1%	+3,361
6—11 YEARS	33,185	8,241	24.8	33,718	13,914	41.3	+68.8%	+5,673
12—17 YEARS	33,008	8,263	25.0	32,401	12,087	37.3	+46.3%	+3,824
RESIDENCE OWNED	122,907	30,575	24.9	124,240	48,252	38.8	+57.8%	+17,677
VALUE $70,000 OR MORE	60,160	16,924	28.1	66,423	28,034	42.2	+65.6%	+11,110
VALUE LESS THAN $70,000	62,747	13,652	21.8	57,817	20,218	35.0	+48.1%	+6,566

Source: Simmons Market Research Bureau: 1989,1990 Study of Media and Markets.

IN HOUSE OUTBOUND TELEMARKETING WORKSHEET

Outbound: 9:00 A.M. To 5:00 P.M.
MONTHLY EXPENSE STATEMENT

	REPRESENTATIVE PHONE HOURS (123.5) DIRECT EXPENSES	COST	COST/PHONE HOUR
A.	**LABOR**		
	MANAGER (1/3 TIME)	$ 1,500	$ 1.21
	SUPERVISOR (FULL TIME)	3,000	2.43
	REPRESENTATIVES (10 FULL TIME)	18,000	14.58
	ADMINISTRATION (2 FULL TIME)	2,426	1.96
	TAX AND FRINGE (1/3 OF WAGES)	14,095	11.41
	INCENTIVES	17,400	14.09
	SUBTOTAL	56,421	45.68
B.	**PHONE**		
	EQUIPMENT AND SERVICE LINES	350	0.28
	*WATS	7,710	6.24
	*MTS (MESSAGE TOLL SERVICE)	1,297	1.05
	SUBTOTAL	9,357	7.57
C.	**AUTOMATION**		
	DEPRECIATION	3,542	2.87
	MAINTENANCE	1,063	0.86
	SUBTOTAL	4,605	3.73
D.	**OTHER**		
	LISTS	3,088	2.50
	MAIL/CATALOGS	617	0.50
	POSTAGE	309	0.25
	MISCELLANEOUS	1,235	1.00
	SUBTOTAL	5,249	4.25
	TOTAL DIRECT	75,632	61.23
	G&A (15%)	11,345	9.18
	GRAND TOTAL	$86,977	$70.41

BASIS FOR EXPENSE STATEMENT:

LABOR

Manager:	Annual = $54,000 x 1/3 allocation = $1,500/month
Supervisor:	Annual = $36,000 at full allocation = $3,000/month
Representatives:	$8.65/hour x 40 hours/week x 52 weeks full allocation = $1,800/month 6.5 phone hours/day x 19 days/month = 123.5 phone hours/month
Administration:	$7.00/hour x 40 hours/week x 52 weeks full allocation = $1,213/month
Tax and Fringe:	33.3% of wages (including contest incentives)
Incentives:	Reps—40% of total Renumeration Supervisor—15% of Total Renumeration

PHONE

WATS (800) =	Average 25 minutes/labor hour Interstate WATS Connect Time: 25 min x .24/min, average cost plus 10 lines' access charges
MTS (Message Toll Service) =	5 minutes/labor hour connect time 5 minutes x .21/min

COMPUTATIONS

1. ● 12 TDs (total dialings)/rep phone hour costs $5.87/dial
2. ● 15 TDs/hour = $4.70/dial
3. ● 5 DMCs (decision-maker contacts) per phone hour cost $14.09/DMC
4. ● 6 DMCs per phone hour cost $11.74/DMC
5. ● 1 Order/rep phone hour = $70.43 per order
6. ● 3 Orders/rep phone hour = $23.48 per order

Source: Successful Telemarketing. Bob Stone & John Wyman, published by National Textbook, 1986. Statistics updated in 1990. Information developed by Rudy Oetting.

IN HOUSE INBOUND TELEMARKETING WORKSHEET

Inbound: 9:00 A.M. To 5:00 P.M.
MONTHLY EXPENSE STATEMENT

	REPRESENTATIVE PHONE HOURS (123.5) DIRECT EXPENSES	COST	COST/PHONE HOUR
A.	**LABOR**		
	MANAGER (1/3 TIME)	$ 1,250	$ 1.01
	SUPERVISOR (FULL TIME)	2,750	2.23
	REPRESENTATIVES (10 FULL TIME)	16,000	12.95
	ADMINISTRATION (2 FULL TIME)	1,213	0.98
	TAX AND FRINGE (1/3 OF WAGES)	7,064	5.72
	INCENTIVES	2,000	1.62
	SUBTOTAL	30,277	24.51
B.	**PHONE**		
	EQUIPMENT AND SERVICE LINES	1,489	1.21
	*WATS	10,240	8.29
	*MTS (MESSAGE TOLL SERVICE)	—	—
	SUBTOTAL	11,729	9.50
C.	**AUTOMATION**		
	DEPRECIATION	2,500	2.02
	MAINTENANCE	750	0.61
	SUBTOTAL	3,250	2.63
D.	**OTHER**		
	LISTS	—	—
	MAIL/CATALOGS	2,470	1.00
	POSTAGE	1,235	0.50
	MISCELLANEOUS	1,000	0.81
	SUBTOTAL	4,705	2.31
	TOTAL DIRECT	49,961	38.95
	G&A (15%)	7,494	5.84
	GRAND TOTAL	$57,455	$44.79

BASIS FOR EXPENSE STATEMENT:

LABOR

Manager:	Annual = $45,000 x 1/3 allocation = $1,250/month
Supervisor:	Annual = $33,000 at full allocation = $2,750/month
Representatives:	$9.23/hour x 40 hours/week x 52 weeks full allocation = $1,600/month 6.5 phone hours/day x 19 days/month = 123.5 phone hours/month
Administration:	$7.00/hour x 40 hours/week x 52 weeks full allocation = $1,213/month
Tax and Fringe:	33.3% of wages (including contest incentives)
Incentives:	Reps only = $2,000/month

PHONE

ACD + Sets	$65,000 depreciated over 5 years plus $4,875 annual maintenance
WATS (800) =	Average 40 minutes (66%) /labor hour WATS Connect Time: 40 min x .20/min, average cost plus 10 lines' access charges

AUTOMATION $6,000 per workstation for 15 stations (additional for growth) depreciated over 3 years plus annual maintenance, equivalent to 10% of total purchase cost.

NOTE

The average number of calls per rep phone hour is 12 @ 2.3 minutes each. During peaks, it can be as many as 15 per phone hour.

COMPUTATIONS

1. @ 12 calls/hour = $3.88/call
2. @ 15 calls/hour = $3.10/call
3. @ 1 Order/rep phone hour = $46.52 per order
4. @ 6 Orders/rep phone hour = $7.85 per order

Source: Successful Telemarketing. Bob Stone & John Wyman, published by National Textbook, 1986. Statistics updated in 1990. Information developed by Rudy Oetting.

1990 TELEMARKETING SALARIES

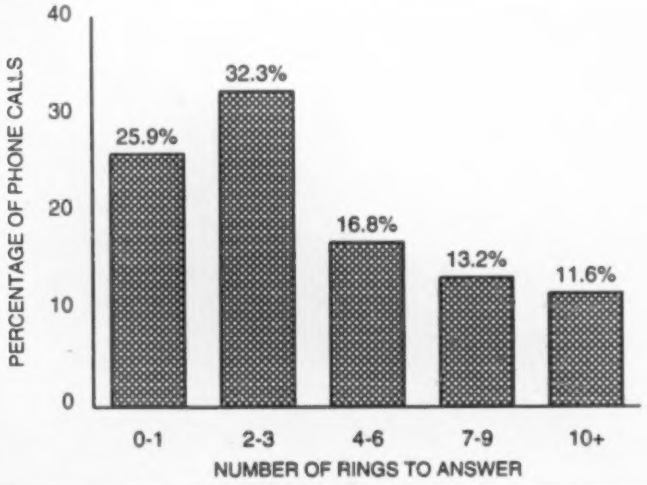
Crandall Associates, Inc. have determined the salaries by the following process: 1) Discussion with employers, from presidents to personnel officers throughout the country, in companies varying in geographic areas, number of employees, and sales volume; 2) Personal interviews and discussions with the professionals in Direct Marketing at all salary levels, working from coast to coast; 3) Search assignments that have been received nationally, enabling Crandall Associates, Inc. to confirm salary levels that prove to be effective in recruiting candidates from each experience range, and serve as a double check on the figures.

Position Title And Description	Years Exp.	Base Salary Range (excluding benefits)	Leading Firms
TELEMARKETING DIRECTOR/Outbound: Complete marketing strategic and operations responsibility for company's telephone sales.	1—3	$37,600 — $43,800	$49,200
	4—7	$49,700 — $57,800	$64,300
	7+	$61,300 — $68,000	$74,700
TELEMARKETING MANAGER/Outbound: Manages department, its programs and personnel, integrating lists, scripts and marketing plans.	1—3	$31,300 — $32,900	$35,000
	4—7	$33,800 — $38,900	$43,200
	7+	$42,300 — $49,000	$54,400
TELEMARKETING MANAGER/Inbound: Complete responsibility for equipment and integration order taking and/or customer service.	1—3	$24,600 — $27,700	$32,500
	4—7	$31,200 — $35,900	$39,800
	7+	$37,300 — $41,900	$45,100
TELEMARKETING SUPERVISOR/Inbound: Oversees Telemarketing Sales Representatives in order taking and providing customer service.	1—3	$20,700 — $21,400	$21,900
	4—7	$22,300 — $23,700	$26,400
	7+	$24,200 — $25,400	$28,900
TELEMARKETING TRAINER: Interviews, hires and trains Telemarketing Sales Representatives for continual quality control, and motivation	1—3	$24,800 — $27,200	$28,700
	4—7	$27,500 — $31,000	$35,900
	7+	$34,300 — $38,500	$40,400

Source: Crandall Associates, Inc., 1990.

AVERAGE NUMBER OF RINGS ON CATALOGERS' TOLL-FREE LINES

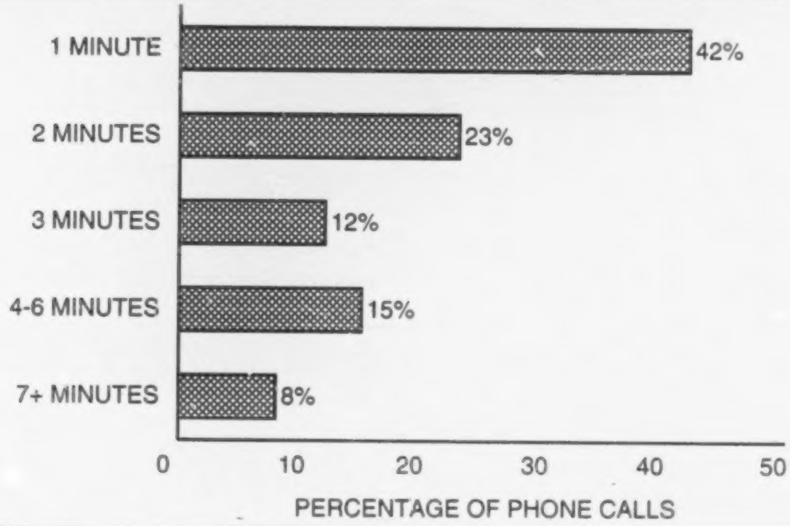
National Marketing Intelligence Service conducted a one-shot study to analyze catalogers' handling of incoming toll-free telephone calls. Calls were placed to a total sample of 362 catalogers in late 1990, and variables such as number of rings before contact, the greeting of the customer service rep, and time spent on hold were recorded.



Source: National Marketing Intelligence Service/Catalog Age Magazine, 1991.

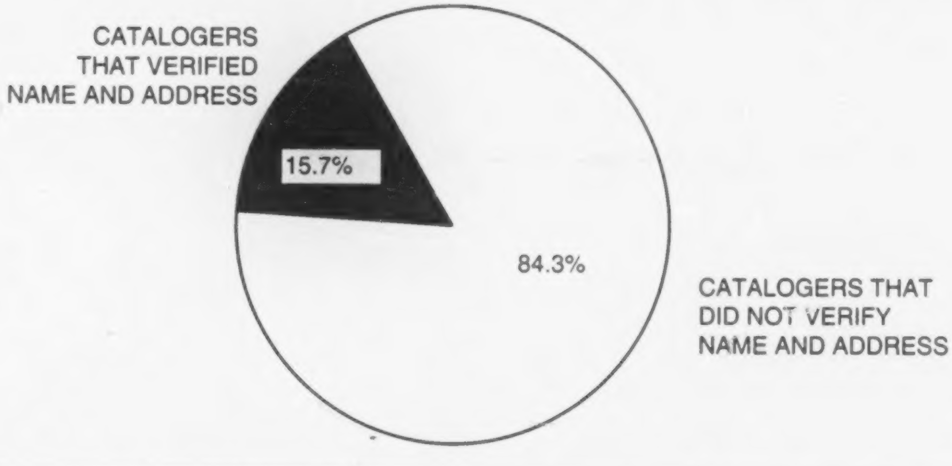
TIME ON HOLD ON CATALOGERS' TOLL-FREE LINES

National Marketing Intelligence Service conducted a one-shot study to analyze catalogers' handling of incoming toll-free telephone calls. Calls were placed to a total sample of 362 catalogers in late 1990, and variables such as number of rings before contact, the greeting of the customer service rep, and time spent on hold were recorded.



Source: National Marketing Intelligence Service/Catalog Age Magazine, 1991.

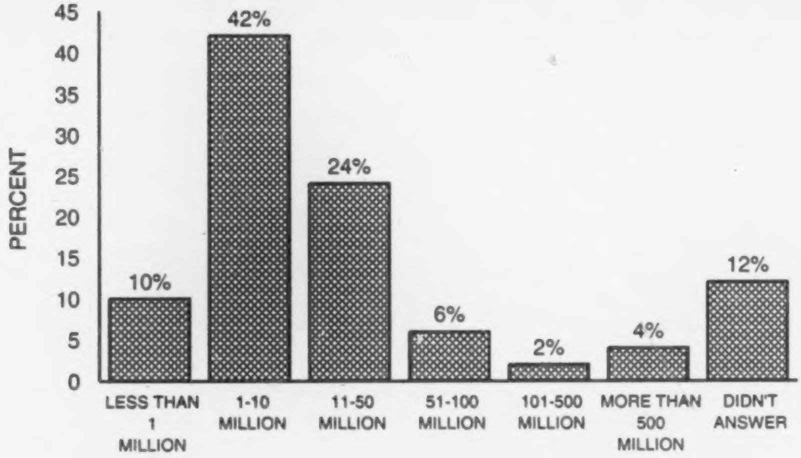
VERIFICATION OF NAME AND ADDRESS ON CATALOGERS' TOLL-FREE LINES



Source: National Marketing Intelligence Service/Catalog Age Magazine, 1991.

ANNUAL SALES VOLUME OF TELEMARKETING COMPANIES

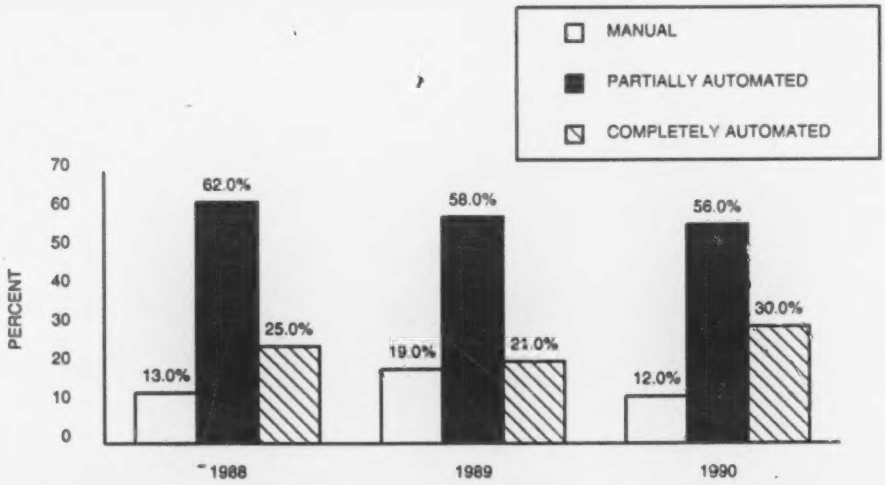
The Eighth Annual Telemarketing Compensation Update was conducted in August, 1990 by mail questionnaire among Telemarketing magazine subscribers and other qualified telemarketing service agencies. The study is designed to give a better idea of compensation practices and the demographic breakdown of the telemarketing industry



Source: Telemarketing Magazine, November 1990.

DEGREES OF TELEMARKETING AUTOMATION

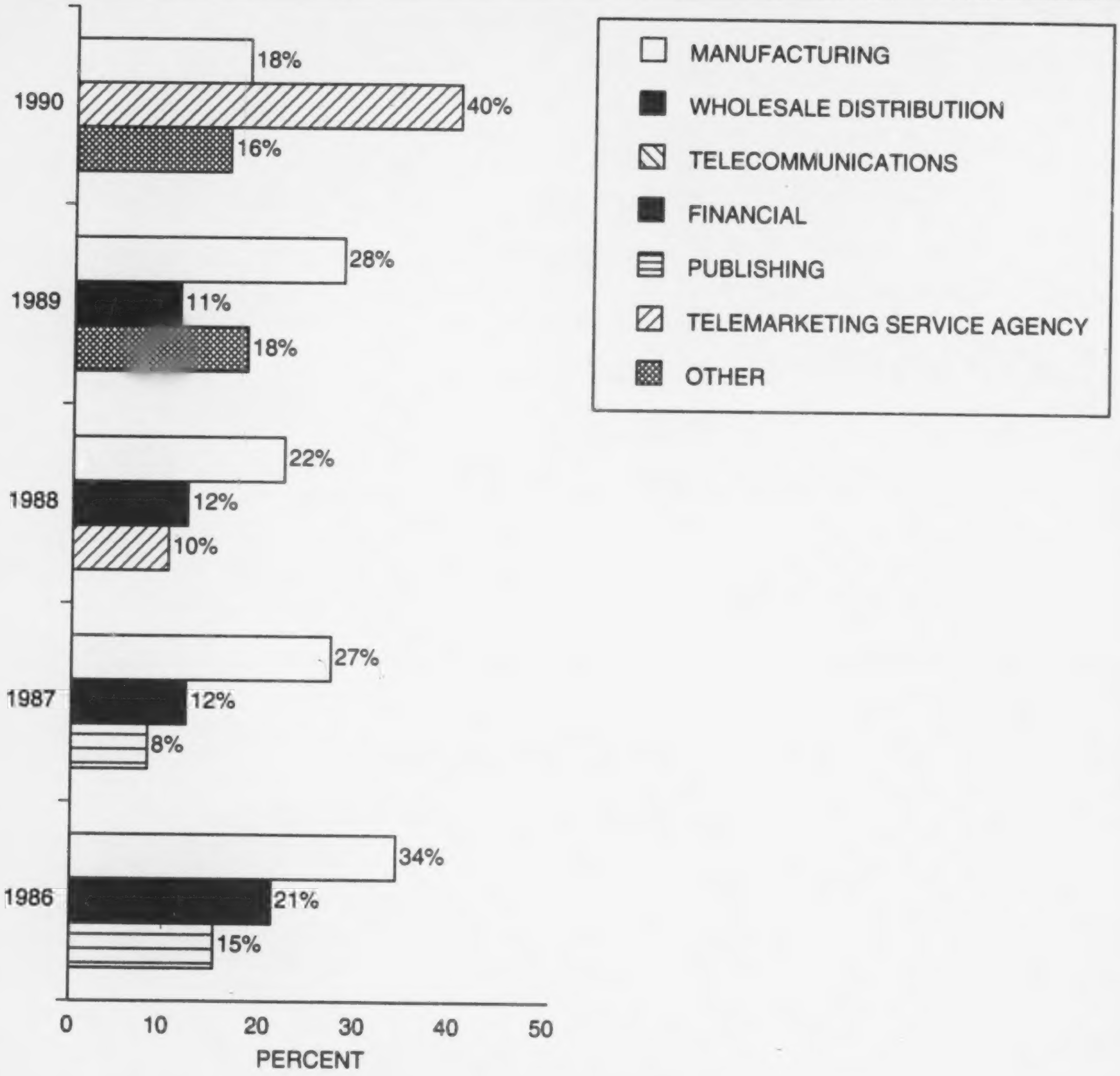
Most companies surveyed (56%) are partially automated—meaning they use office automation, but not automated sales equipment. About 30% are completely automated (a virtually paperless system, office and sales automation), and approximately 12% are completely manual.



Source: Telemarketing Magazine, November 1990.

TOP 3 INDUSTRIES USING TELEMARKETING (1986–1990)

Telemarketing Service Agencies are the most active users of telemarketing according to the survey. The category dubbed "other" drew a very wide variety of responses—including a blood donor recruitment center, an office equipment dealership and a timeshare marketing firm.

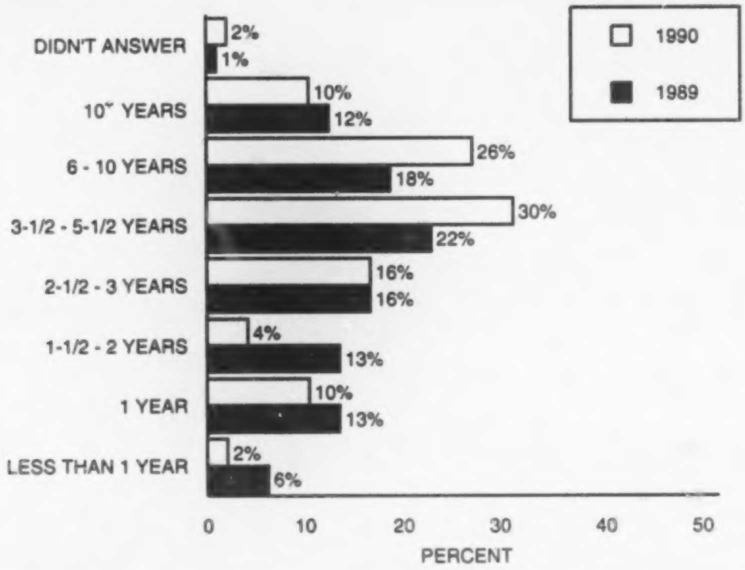


Note: For 1986 only, Manufacturing and Wholesale Distribution were combined.

Source: Telemarketing Magazine, November 1990.

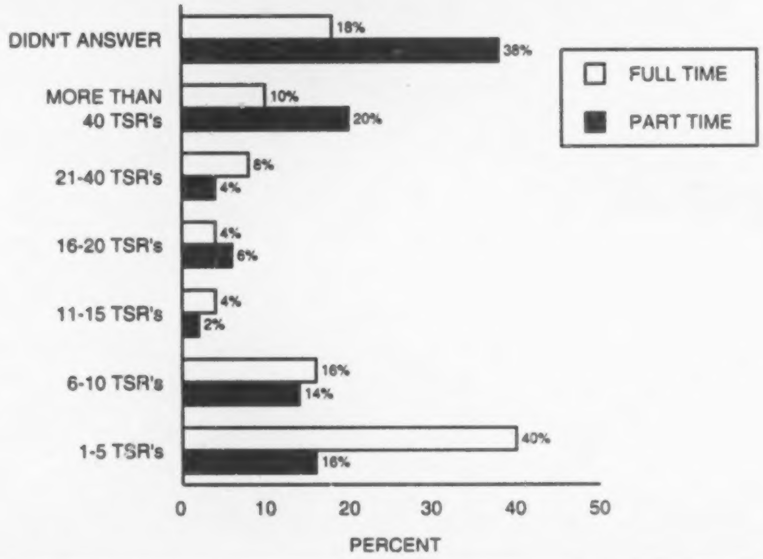
The Eighth Annual Telemarketing Compensation Update was conducted in August, 1990 by mail questionnaire among Telemarketing magazine subscribers and other qualified telemarketing service agencies. The main purpose of this study is to present some comprehensive comparisons of compensation practices over the last five years.

NUMBER OF YEARS RESPONDENT COMPANIES HAVE CONDUCTED TELEMARKETING



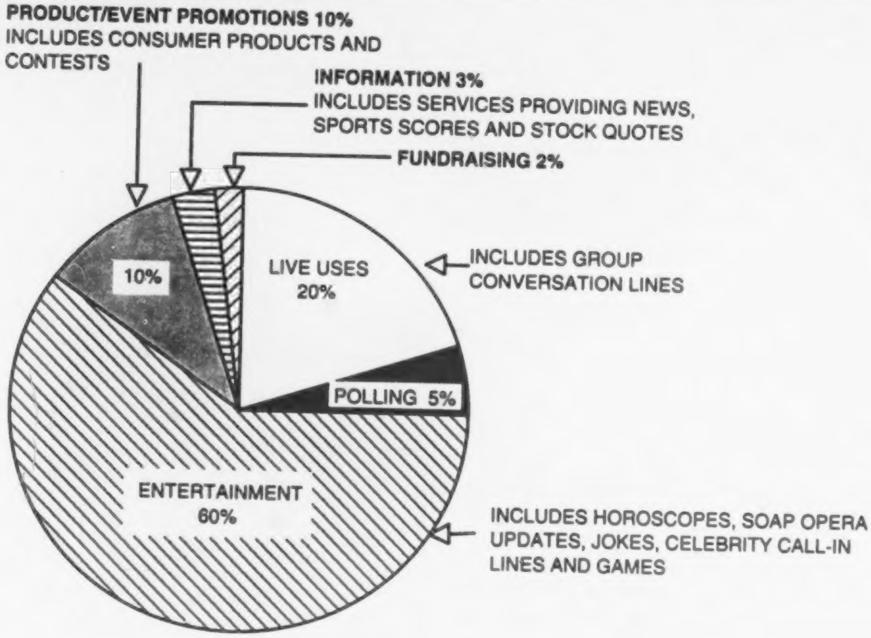
Source: Telemarketing Magazine, November 1990.

NUMBER OF EMPLOYEES OF TELEMARKETING CENTERS



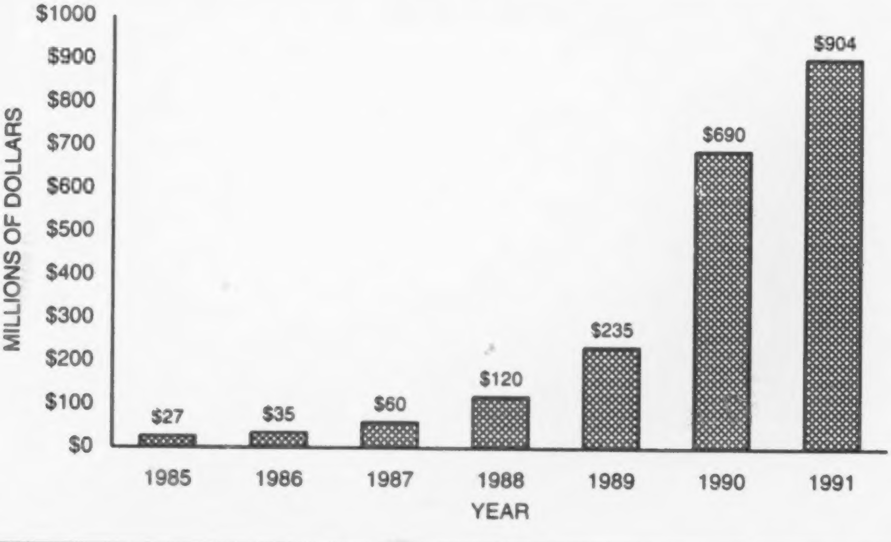
Source: Telemarketing Magazine, November 1990.

USES OF 900—NUMBER TELEPHONE SERVICES
PROGRAM CONTENT BY MINUTES



Source: Link Resources, 1991.

ESTIMATED REVENUES OF 900 NUMBER TELEPHONE SERVICES
(IN MILLIONS)



Source: Link Resources, 1991.

TELEMARKETING PRODUCTS AND SERVICES IN USE

Base = 1,633

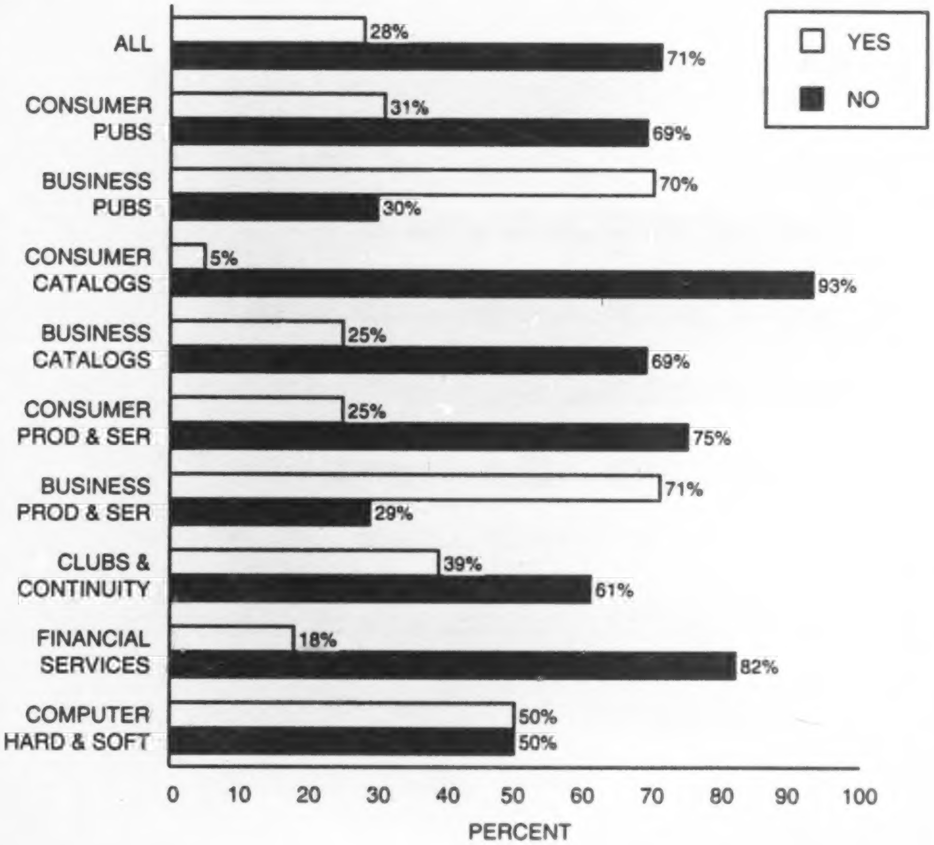
RANK	EQUIPMENT/SERVICE	PERCENT OF COMPANIES WHO USE
1	Facsimile Equipment	78%
2	800 (In-WATS) Lines	66%
3	Workstation Furniture	58%
4	Headsets	53%
5	Cellular Telephones	40%
6	Power Protection	38%
7	Laptop Personal Computers	37%
8	Voice Mail	37%
9	Telemarketing Campaigns	32%
10	Automatic Call Distributors	31%
11	Telemarketing Systems	28%
12	Message-On-Hold Systems	28%
13	List Rental/List Processing	27%
14	Autodial Outdial Systems	25%
15	Call Center Management Software	24%
16	Automated Attendants	23%
17	Used Telephones/Computers	22%
18	Sales Automation Software	20%
19	Credit/Collection Systems	20%
20	Interactive Voice Response	18%
21	Automatic Call Sequencers	16%
22	Direct Response Order & Fulfillment	16%
23	Tele- & Videoconferencing	15%
24	Telemanagement Software	14%
25	Staff Forecasting Software	13%
26	Central Office ACD	13%
27	Telemarketing Service Bureau	9%
28	900 Lines	6%

Source: INBOUND/OUTBOUND/Sulcer Research Associates, 1989.

The DMA Practices and Performance Survey was conducted in 1990 among 550 randomly selected direct marketing companies. 171 responses were received.

USE OF COLD OUTBOUND TELEMARKETING TO ACQUIRE LEADS OR NEW CUSTOMERS

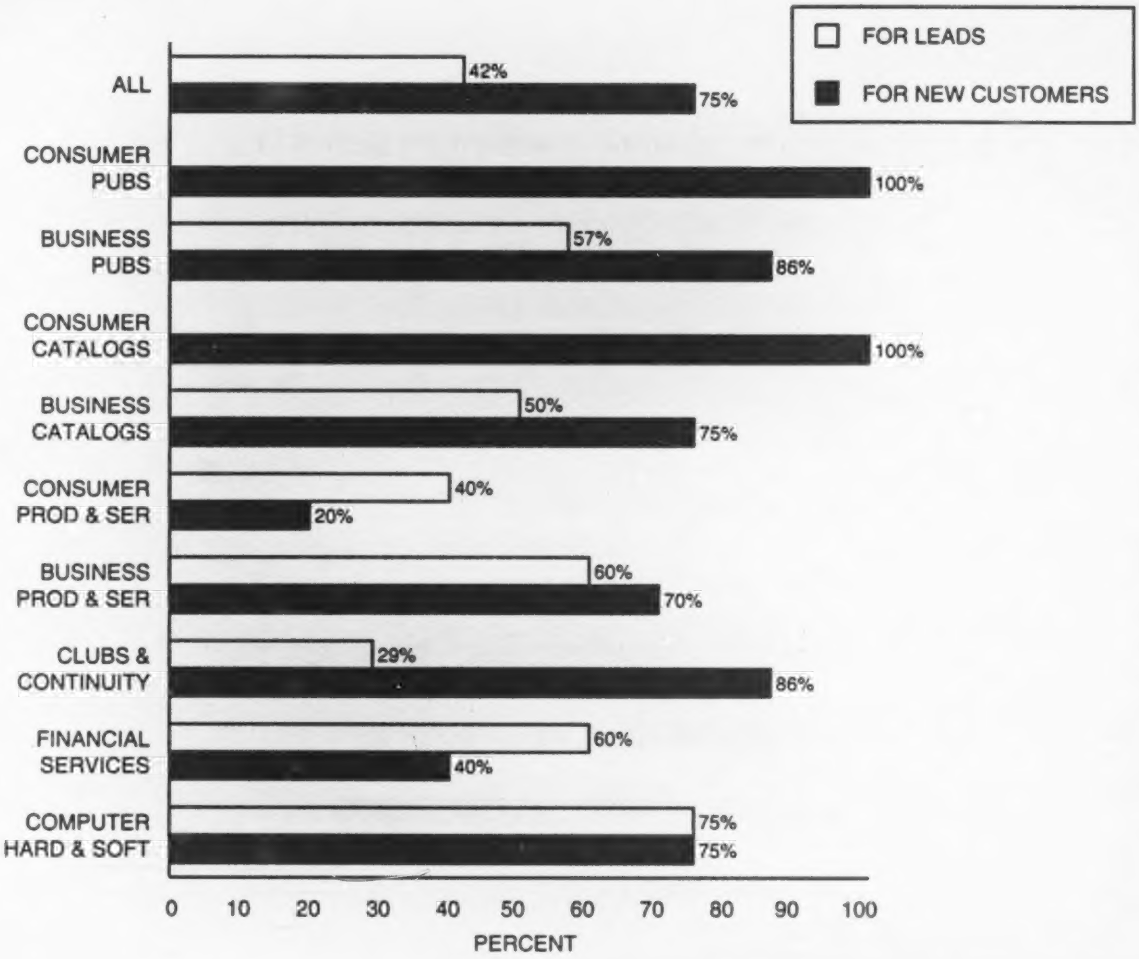
Respondents in business publications and business products and services were likely to use cold outbound telemarketing, whereas the majority of other business types did not use it to acquire leads or new customers.



Source: DMA Marketing Practices and Performance Survey, conducted by the Direct Marketing Association in cooperation with David Shepard and Associates, Inc., 1990.

COLD OUTBOUND TELEMARKETING TO ACQUIRE LEADS OR NEW CUSTOMERS

Most respondents use cold outbound telemarketing to acquire new customers or leads.



Source: DMA Marketing Practices and Performance Survey, conducted by the Direct Marketing Association in cooperation with David Shepard and Associates, Inc., 1990.

INTENTIONAL
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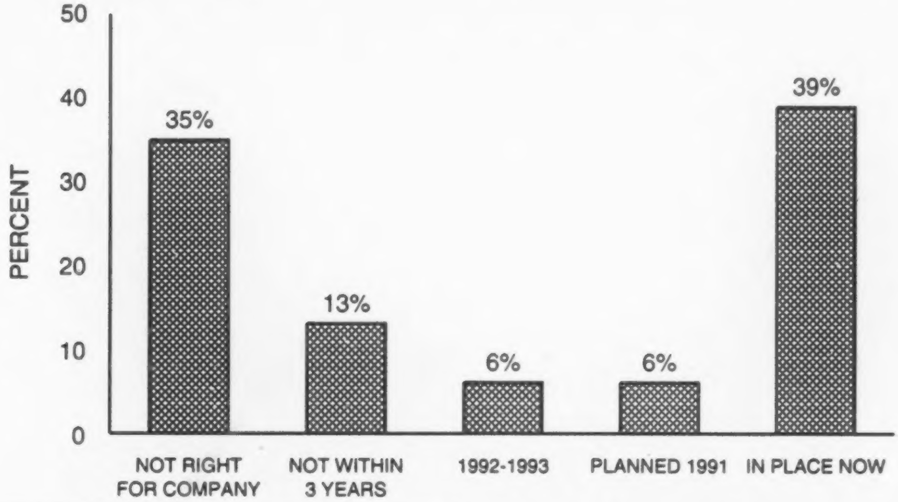
COMPANY STANDING ON AROUND THE CLOCK 800 SERVICE

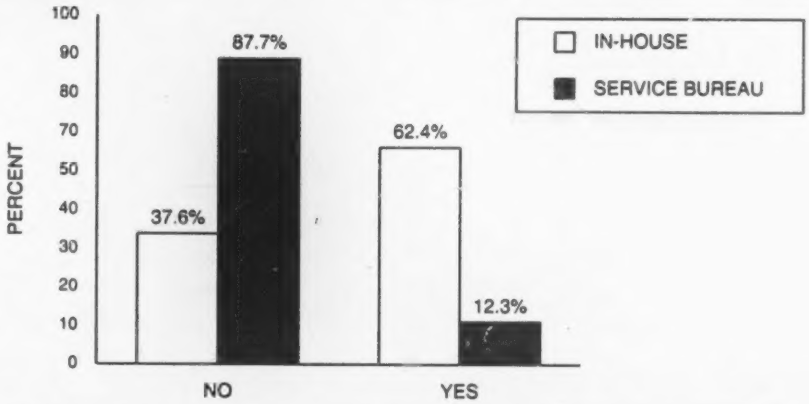
A similar proportion of respondents indicated they had around the clock 800 service in place versus those noting it was not right for their company (39% vs. 35%, respectively).



Source: DMA Marketing Practices and Performance Survey, conducted by the Direct Marketing Association in cooperation with David Shepard and Associates, Inc., 1990.

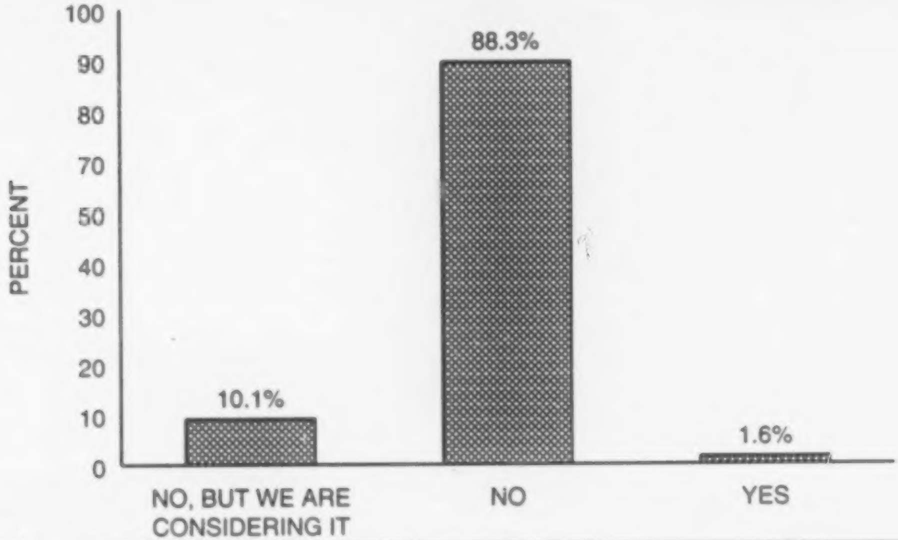
The Fourth Annual Catalog Age Study: The Comprehensive Annual Analysis of Catalog Trends and Practices provides a comprehensive and quantitative overview of virtually every aspect of catalog marketing. Conducted and compiled during the summer and fall of 1990, the 10-page market survey was mailed to a large sampling of catalog company executives pulled from the Catalog Age Subscriber List. The data presented by the 1990 report represent the answers of the 386 survey respondents.

WHETHER IN-HOUSE/SERVICE BUREAU PHONE ORDER PROCESSORS ATTEMPT TO UPSELL



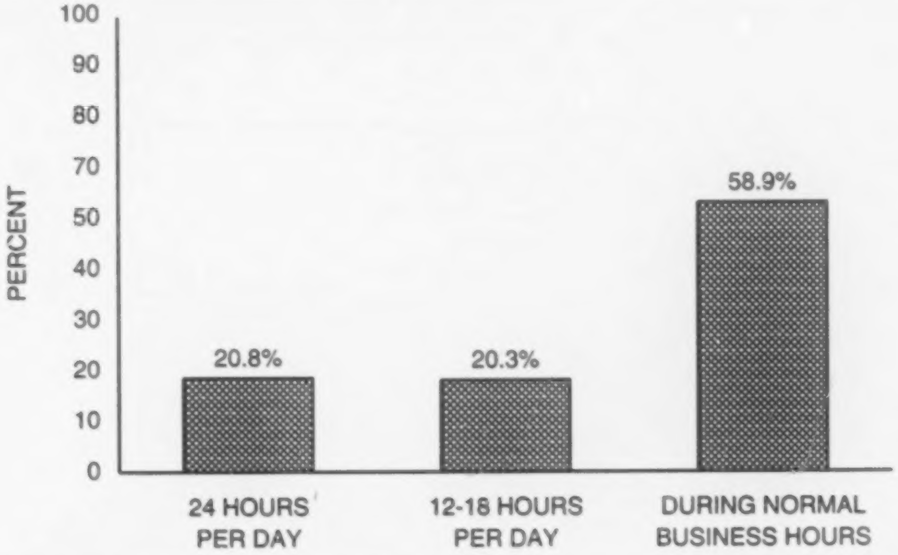
Source: Catalog Age, The Catalog Age Report, 1990.

WHETHER CATALOGERS USE A 900 NUMBER FOR A CUSTOMER LINE



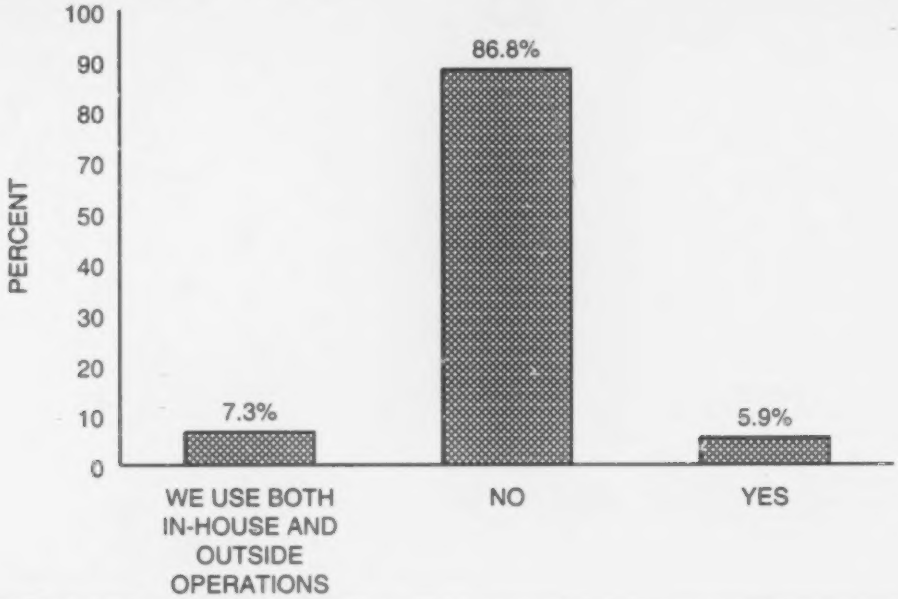
Source: Catalog Age, The Catalog Age Report, 1990.

HOURS PHONE ORDERING LINE IS AVAILABLE



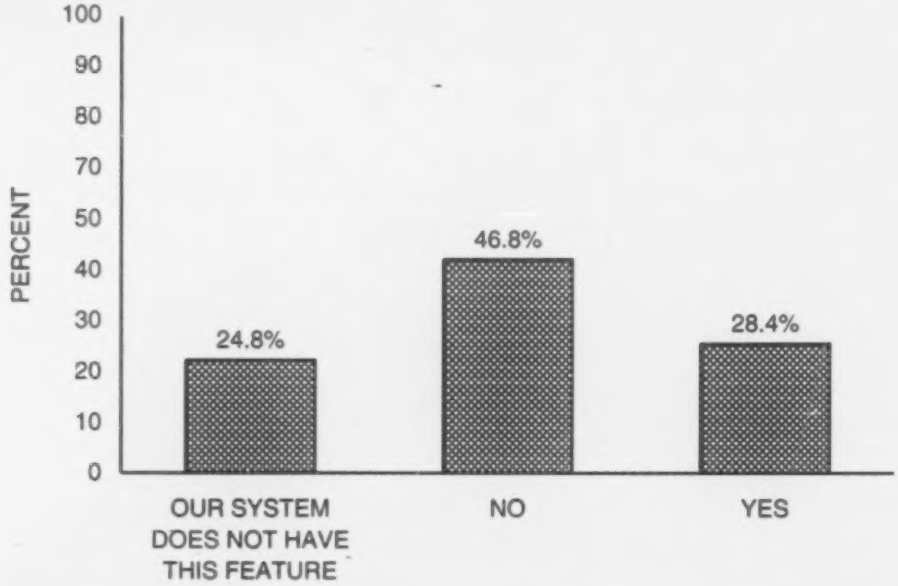
Source: Catalog Age, The Catalog Age Report, 1990.

WHETHER CATALOGERS USE AN OUTSIDE SERVICE FOR INBOUND 800 NUMBER CALLS



Source: Catalog Age, The Catalog Age Report, 1990.

WHETHER TELEPHONE CENTER MANAGERS MONITOR TELEMARKETING CALLS FOR QUALITY CONTROL AND RETRAINING PURPOSES



Source: Catalog Age, The Catalog Age Report, 1990.

900 – NUMBER APPLICATIONS BREAKOUT

	1990	1991
Information and Entertainment	72%	67%
Direct Response/Transactions	28%	33%
Information and Entertainment		
Sports	15%	15%
Personal/Datelines/Gab	24%	22%
Adult	5%	4%
Financial/Credit	10%	6%
Games	8%	10%
Misc	10%	10%
Total	72%	67%
Direct Response/Transactions		
Fund Raising/Cause Related	3%	5%
Order Entry/Fax	1%	1%
Polling	6%	6%
Couponing/Sampling	2%	3%
Promotions/Sweepstakes	7%	8%
Consumer Consulting/Service	1.5%	3%
Misc	7.5%	7%
Total	28%	33%

Source: Strategic Telemedia, January, 1991.

Strategic Telemedia, a market research firm specializing in information services, conducts an annual research analysis of the 900 service market. The research process includes a review of regulatory literature and product descriptions, and includes interviews with users and developers of relevant communications equipment. This research was conducted to find out the nature of the changes that have taken place in the nation's telecommunications infrastructure in the past year.

NUMBER OF 900 PROGRAMS BY CARRIER

The number of programs increased almost 200% over 1989, to 10,100.

	1988	1989	1990
AT&T	88	1000	2500
MCI		328	3200
Sprint		500	2000
Telesphere		800	2400

Source: Strategic Telemedia, 1990.

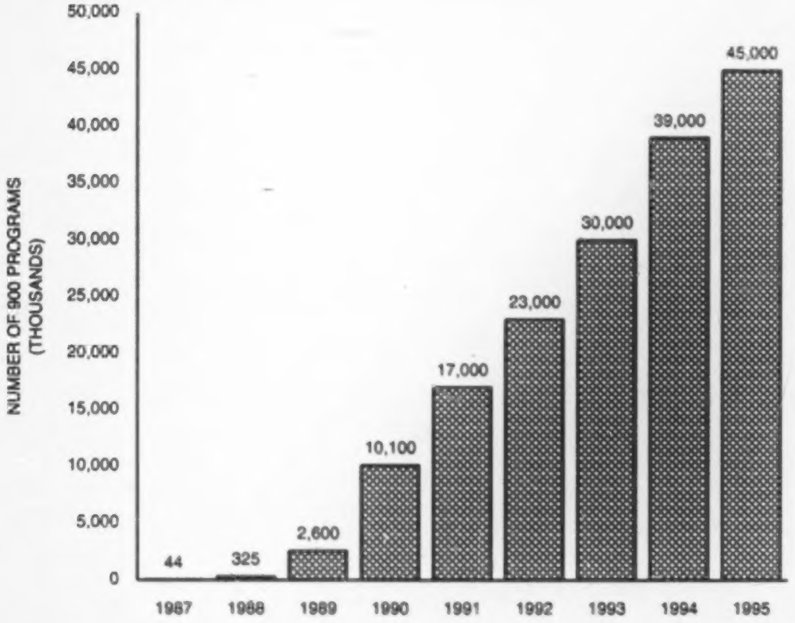
900 SERVICE REVENUE PROJECTIONS

TOTAL REVENUES: TELEPHONE PROGRAMMING AND TRANSACTIONS (IN MILLIONS)

	1989	1990	1991	1992	1993	1994	1995
Retail Price	455	871	1,232	1,744	2,178	2,550	2,940

Source: Strategic Telemedia, 1990.

900—NUMBER PROGRAM GROWTH PROJECTIONS



Source: Strategic Telemedia, 1990.

• PRINT/PROMOTION

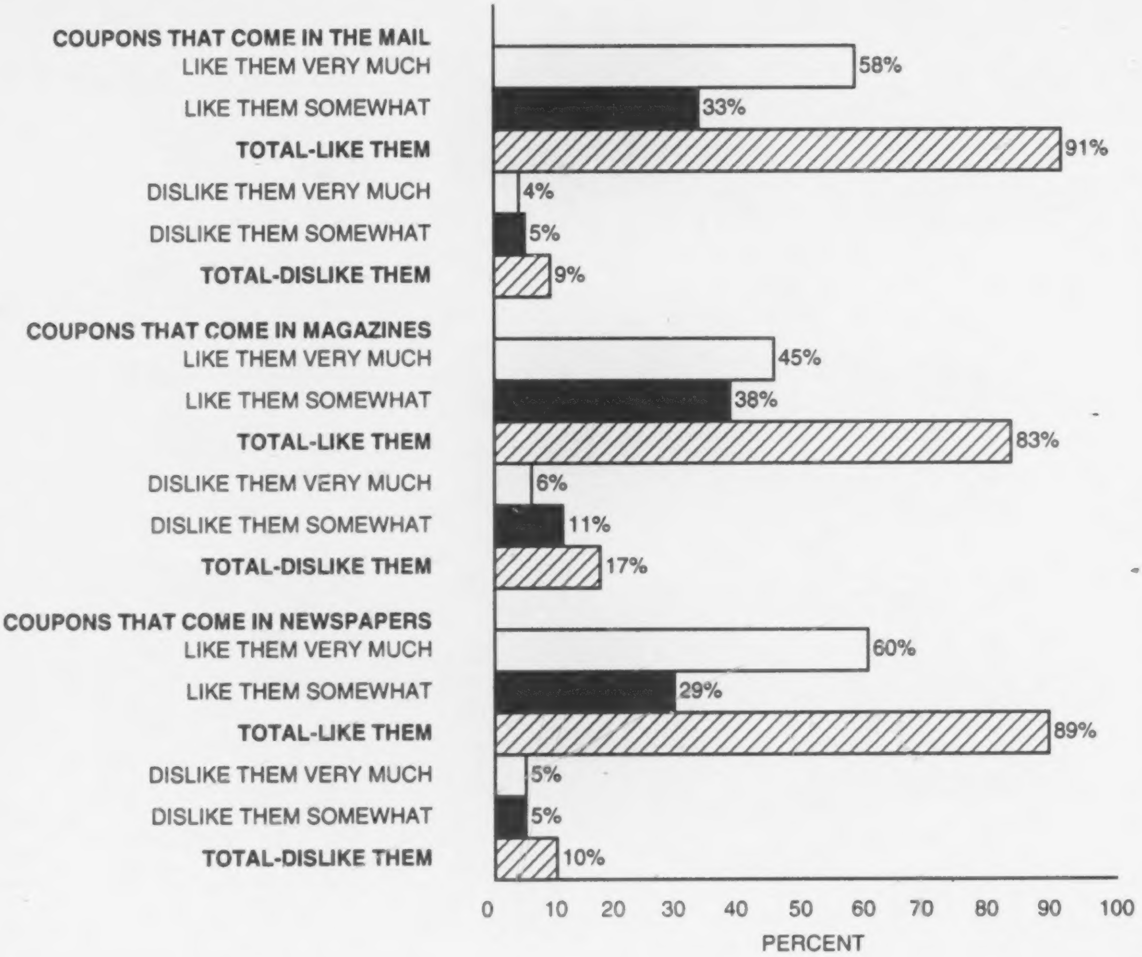
CONSUMER ATTITUDES

COSTS

TRENDS

CONSUMER ATTITUDES ABOUT COUPONS FROM DIFFERENT SOURCES

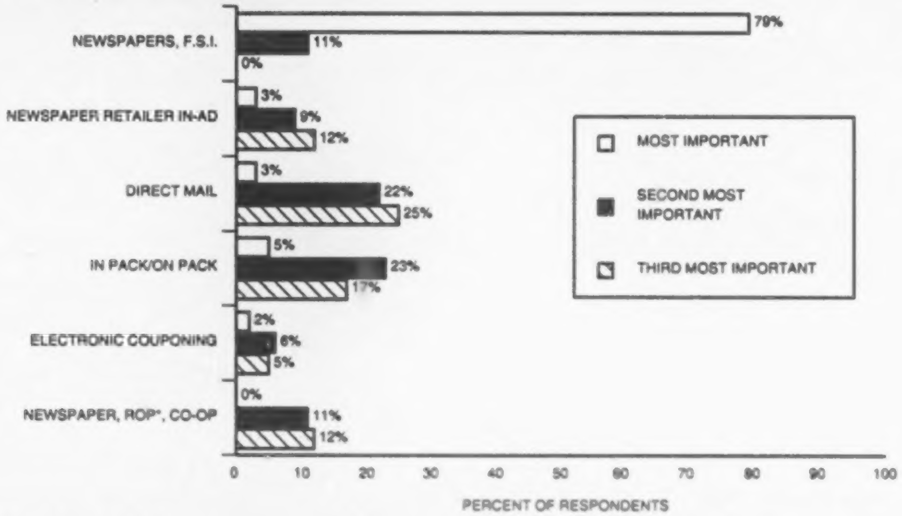
Coupons that come in newspapers and in the mail are generally preferred to those that come in magazines. One suspicion is that consumers dislike having to cut up their more or less permanent magazine in order to obtain a coupon. Newspapers and direct mail simply make it easier.



Source: Frankel & Company, Promotional Attitudes and Practices, 1988.

The Thirteenth Annual Survey of Promotional Practices, sponsored by Donnelley Marketing, was conducted from September through October 1990 among 149 marketing executives who manage a large portion of all sales promotions for nondurable goods and services in the U.S. A 49.0% response rate was achieved.

LEADING TYPES OF COUPON MEDIA VEHICLES: 1990
BASED ON DOLLAR IMPORTANCE

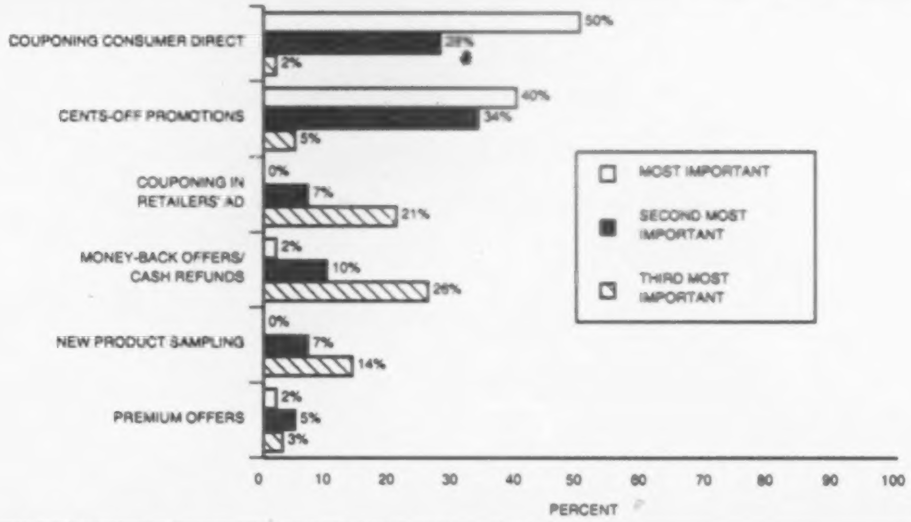


*ROP = Run of Paper/Press—newspaper publisher's option to place advertisements anywhere in the newspaper that space allows, at the sole discretion of the publisher.

Source: Donnelley Marketing Thirteenth Annual Survey of Promotional Practices, 1990.

PRINCIPAL CONSUMER PROMOTIONS USED: 1990
BASED ON DOLLAR IMPORTANCE

Comparing direct and cents off promotions were identified as the "most important" consumer promotion in terms of dollars spent by participants. promotion in terms of dollars spent by participants.



Source: Donnelley Marketing Thirteenth Annual Survey of Promotional Practices, 1990.

TYPES OF COUPON MEDIA USED: 1986—1990

As the year-to-year comparisons are subject to a certain amount of sampling variation, observed differences should be interpreted with caution. The principal changes in 1990 are the decline in usage levels for out-of-store coupon media (i.e., run-of-press—ROP), manufacturer's ads, magazines, and Sunday supplements.

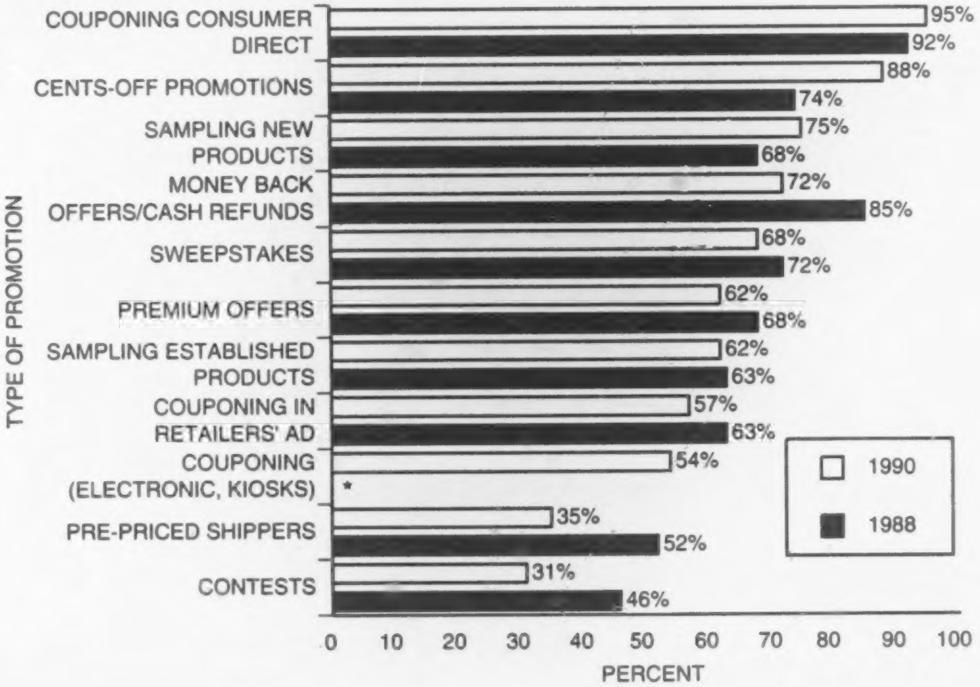
		PERCENT OF RESPONDENTS				
	5-YEAR COMPARISON OF USAGE LEVELS	1990	1989	1988	1987	1986
1.	NEWSPAPER, F.S.I.	91	96	91	94	93
2.	IN PACK/ON PACK	85	87	89	94	90
3.	IN-STORE DISTRIBUTION**	72	**	**	**	**
4.	DIRECT MAIL	68	74	78	82	78
5.	NEWSPAPER, ROP*, CO-OP	68	63	71	72	79
6.	ELECTRONIC COUPONING**	60	**	**	**	**
7.	NEWSPAPER RETAILER IN-AD	57	61	57	57	45
8.	MAGAZINES	49	56	60	65	67
9.	NEWSPAPER, ROP*, MFR'S AD	39	63	69	74	73
10.	SUNDAY SUPPLEMENTS	22	40	48	49	40

* Run of Paper/Press—newspaper publisher's option to place advertisements anywhere in the newspaper that space allows, at the sole discretion of the publisher.

** Not asked in these survey years.

Source: Donnelley Marketing Annual Surveys of Promotional Practices for 1986, 1987, 1988, 1989, 1990.

TYPES OF CONSUMER PROMOTIONS USED: 1988 vs. 1990



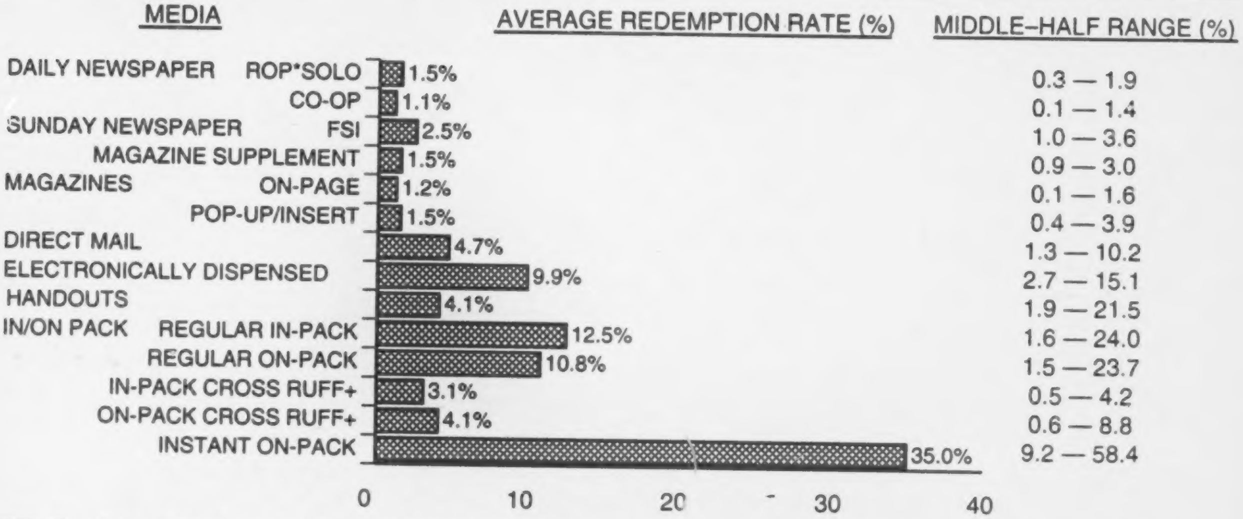
*Not asked in these survey years.

Source: Donnelley Marketing: Thirteenth Annual Survey of Promotional Practices, 1990.

GROCERY PRODUCTS
COUPON REDEMPTION RATES BY MEDIA 1990

In reviewing average coupon redemption rates, it is important to recognize that there is a range of redemption rates above and below the media average. A statistical measure called the middle-half range has been included to provide some indication of the variability of the data. The middle-half range includes the middle 50% of all offers in each medium, but excludes the 25% highest redeeming and the 25% lowest redeeming offers.

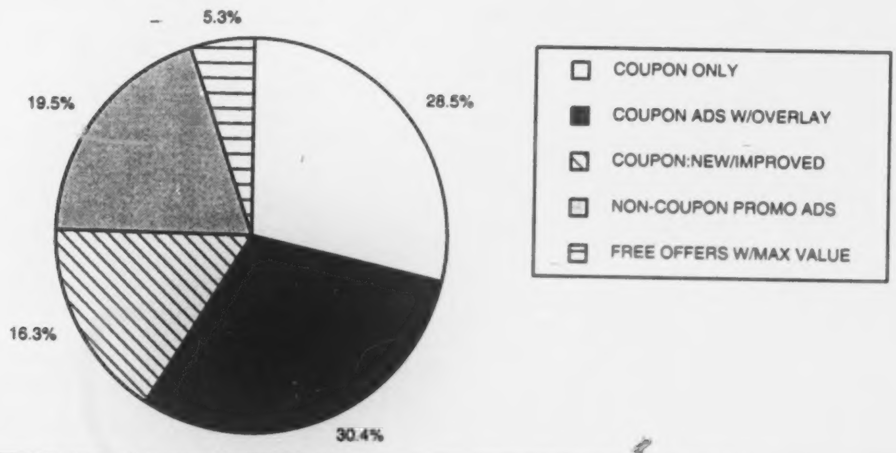
For example, FSI-average redemption rate of 2.5%. Middle-half range of 1.0%–3.6%. This means the middle 50% of FSI coupons had a redemption rate of between 1.0% and 3.6%



*ROP = Run of Paper/Press—newspaper publisher's option to place advertisements anywhere in the newspaper that space allows, at the sole discretion of the publisher.
+ In/on-pack cross ruff—a coupon located in/on a package that offers money off on the purchase of *another* product.

Source: NCH Promotional Services, 1991.

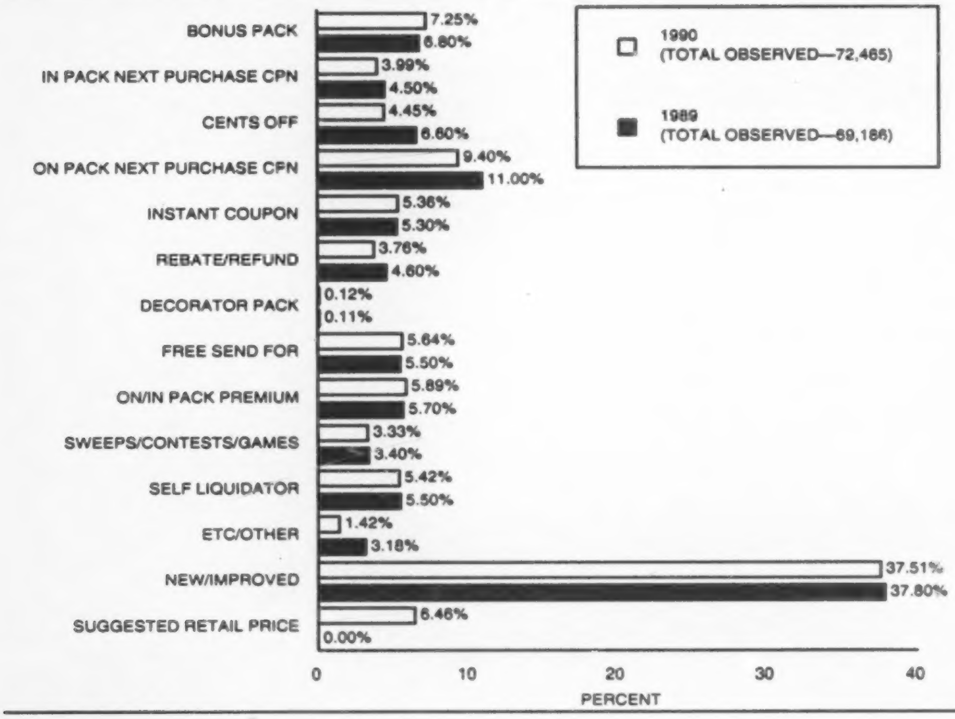
BREAKOUT OF ALL PROMOTIONAL ADS: 1990
41,933 DIFFERENT ADS NOTED



Source: Summary Scan! Division of the Advertising Checking Bureau, Inc., 1991

PERCENT OF IN-STORE ON SHELF ACTIVITIES—1990 vs. 1989

NOTE: Since many promotions are on the shelves for many months, these are 'sightings,' not necessarily different promotions.



Source: Summary Scan! Division of the Advertising Checking Bureau, Inc., 1991.

VOLUME OF INSERTS IN SUNDAY/DAILY NEWSPAPERS

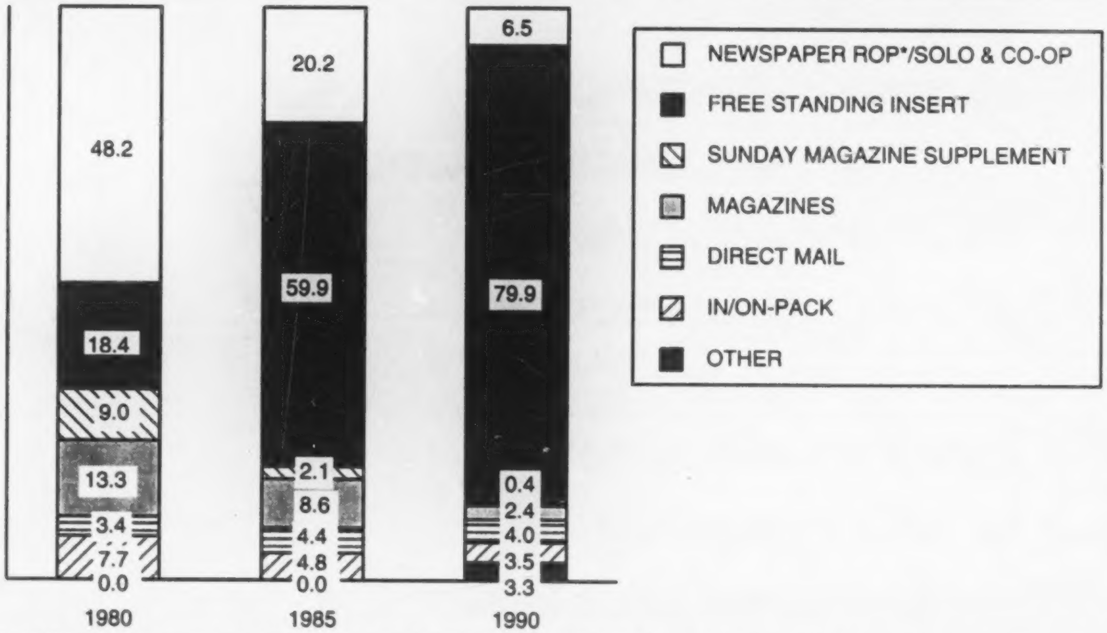
YEAR	FREE STANDING INSERTS (CIRCULATION IN BILLIONS)	PERCENTAGE OF GROWTH ANNUALLY	FREE STANDING INSERT REVENUE	PERCENTAGE OF GROWTH ANNUALLY
1975	15,800	2.8	—	—
1980	27,733	2.2	$2,032,453,000*	—
1981	28,708	3.5	$2,288,542,000*	12.6
1982	29,966	4.4	$2,517,396,000*	10.0
1983	35,727	19.2	$3,095,000,000*	22.9
1984	41,265	15.5	$3,691,407,000*	19.3
1985	45,379	10.0	$1,880,403,000†	13.2
1986	51,503	13.5	$2,190,669,000†	16.5
1987	54,778	6.4	$2,446,101,000†	11.7
1988	56,428	3.0	$2,649,641,000†	8.3
1989	59,758	5.9	$2,837,712,000†	7.1
1990	64,341	7.7	$3,152,698,000	11.1

*Based on a 12-page tabloid and includes printing and inserting. A ratio of 55% printing and 45% inserting has been used. Years prior to 1982 have used a 50/50 ratio.
† FSI revenue for years beginning in 1985 does not include the cost of printing

Source: Newspaper Advertising Bureau, Inc., 1990.

PERCENT OF COUPON DISTRIBUTION BY MEDIA
(ALL PRODUCTS)

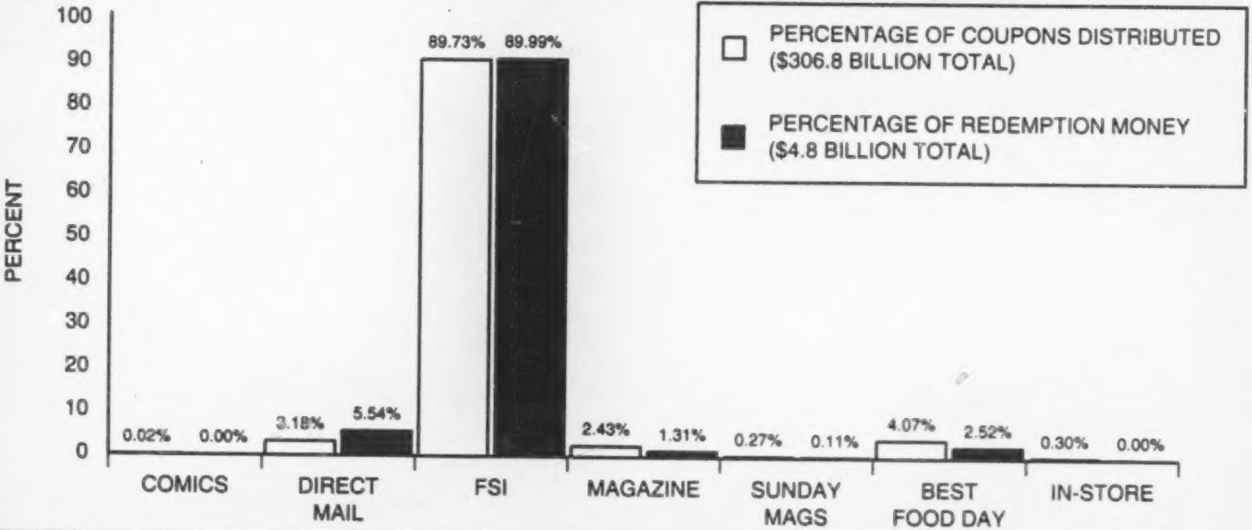
Free-standing inserts experienced a steady increase in share of the total number of coupons distributed in 1990.



*ROP = Run of Paper/Press—newspaper publisher's option to place advertisements anywhere in the newspaper that space allows, at the sole discretion of the publisher.

Source: NCH Promotional Services, 1991.

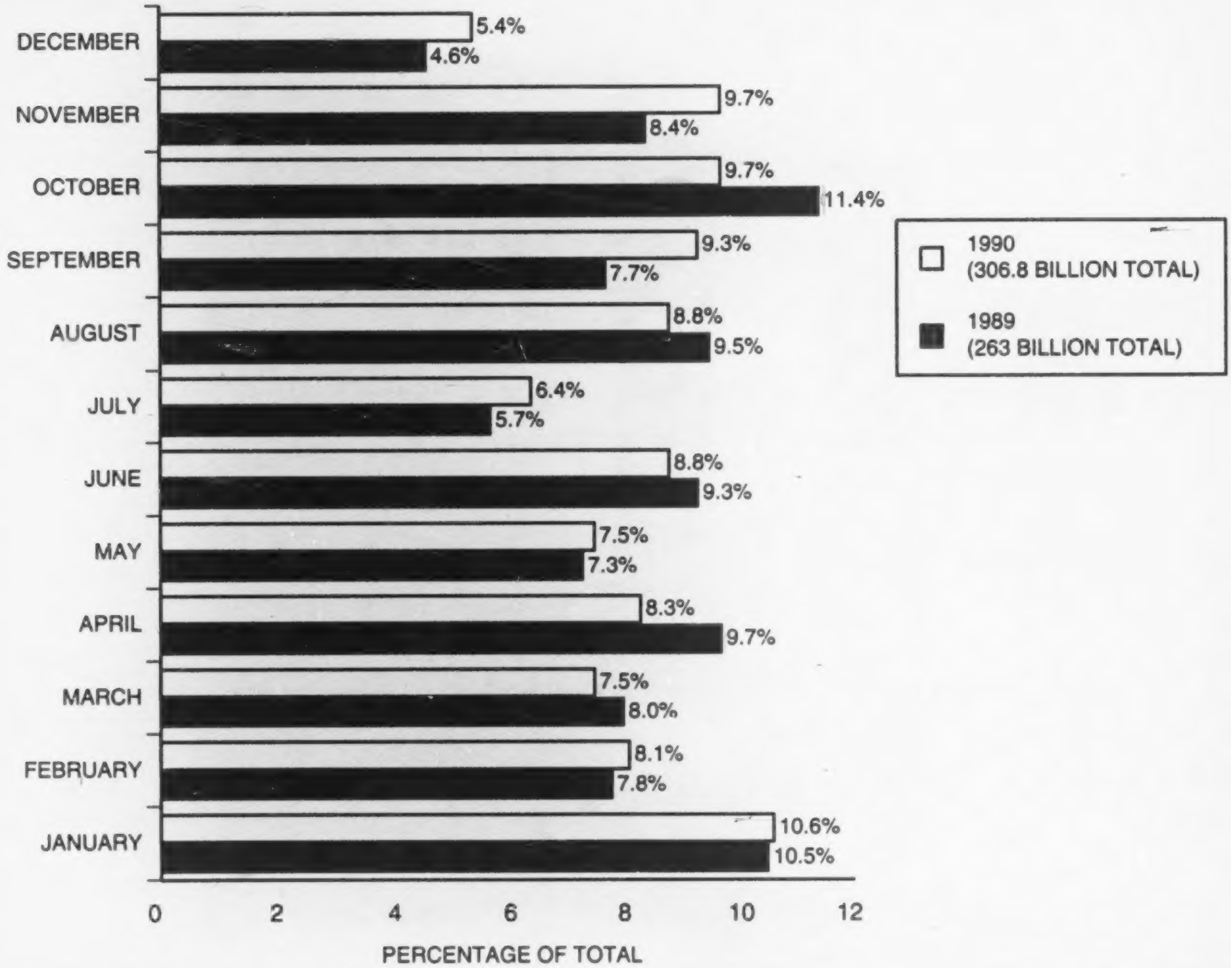
PERCENTAGE OF COUPONS DISTRIBUTED AND MONEY REDEEMED BY MEDIA: 1990



Source: Summary Scan! Division of the Advertising Checking Bureau, Inc., 1991.

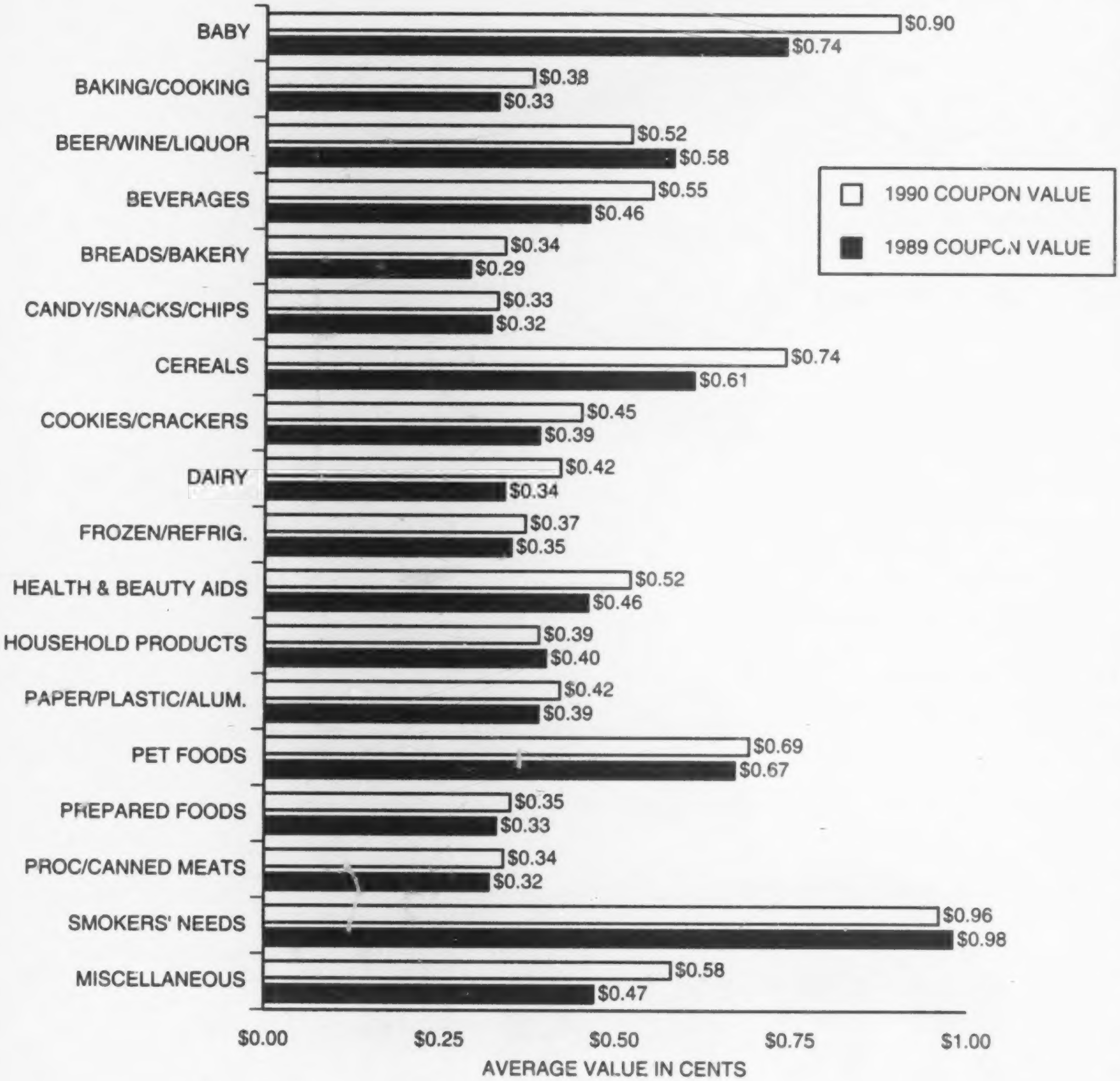
COUPONS DISTRIBUTED BY MONTH: 1990 vs. 1989

PERCENTAGE OF TOTAL



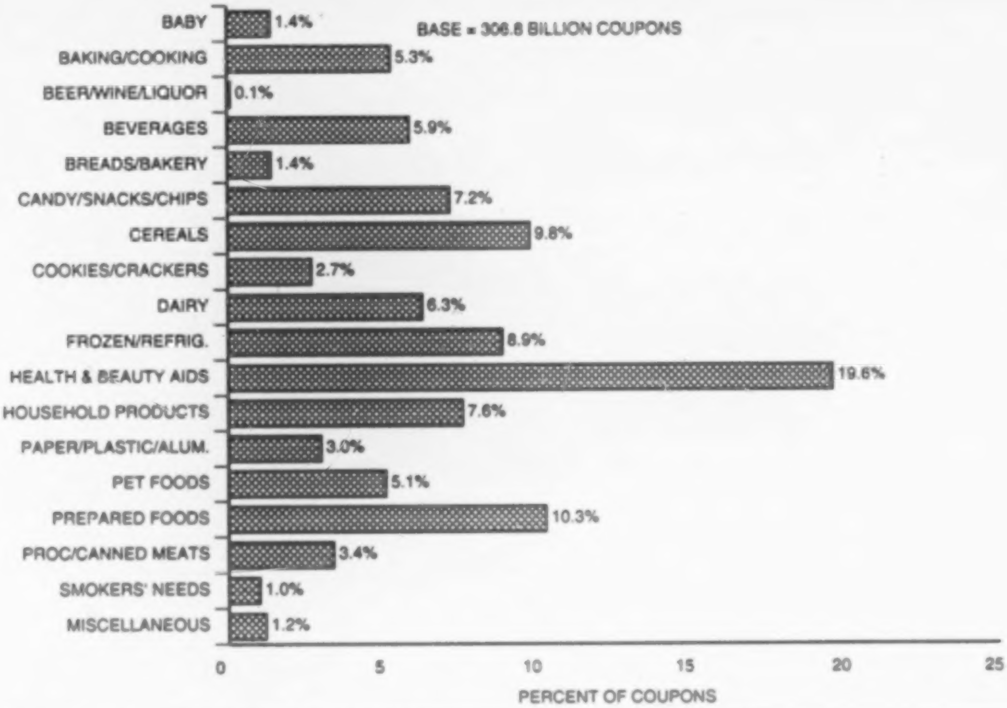
Source: Summary Scan! Division of the Advertising Checking Bureau, Inc., 1991.

AVERAGE VALUE OF COUPONS REDEEMED BY CATEGORY
(IN CENTS)



Source: Summary Scan! Division of the Advertising Checking Bureau, Inc., 1991.

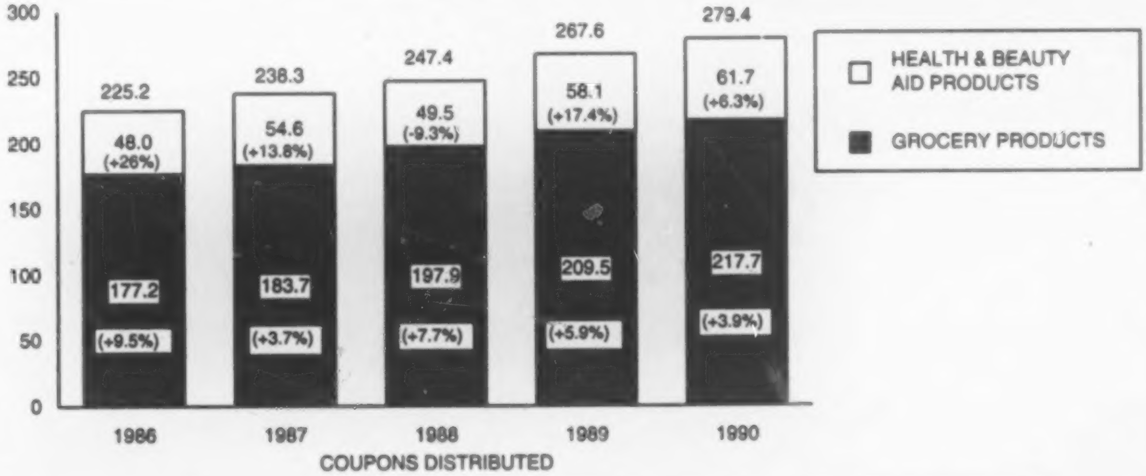
PERCENT OF COUPONS DISTRIBUTED BY CATEGORY: 1990



Source: Summary Scan! Division of the Advertising Checking Bureau, Inc., 1991.

TRENDS IN COUPON DISTRIBUTION
BILLIONS OF COUPONS

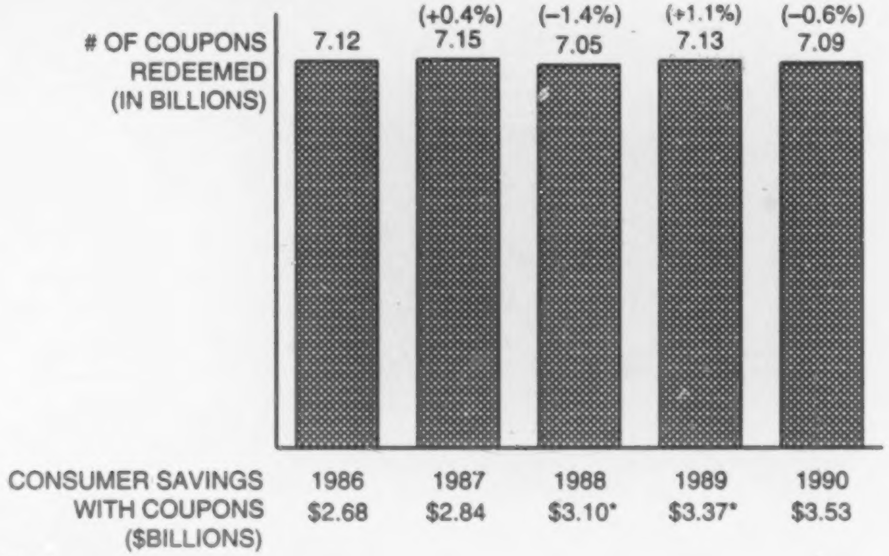
Coupon distribution on grocery products reflected a 3.9% growth in 1990 to 217.7 billion coupons. Coupons issued on grocery products represented 78% of all activity in 1990. This category includes promotions on food and household care items.



Source: NCH Promotional Services, 1991.

TRENDS IN COUPON REDEMPTION
BILLIONS OF COUPONS

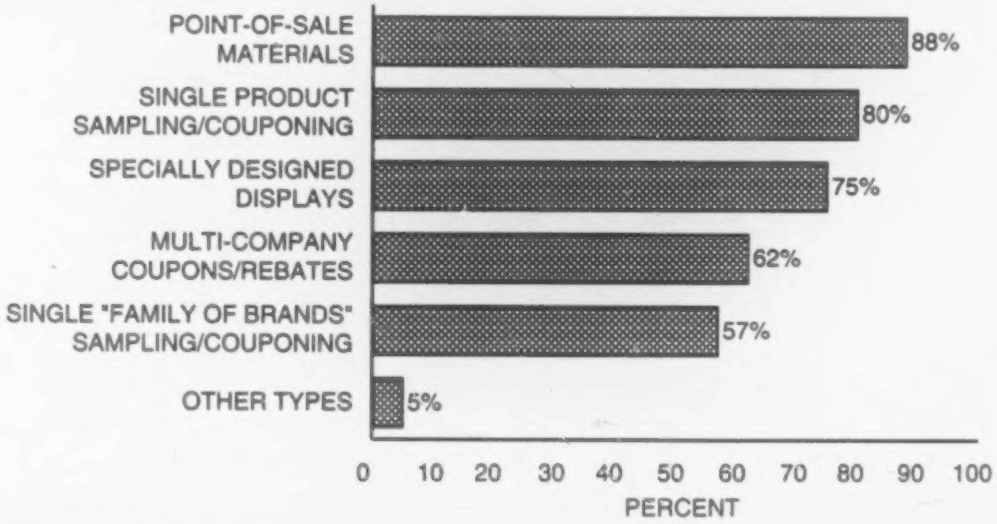
A total of 7.09 billion coupons were redeemed by consumers in 1990, a slight decrease over 1989. Since 1985, coupon redemption has increased 9.2% from 6.49 billion.



*Restated

Source: NCH Promotional Services, 1991.

TYPES OF IN-STORE CONSUMER PROMOTIONS USED: 1990

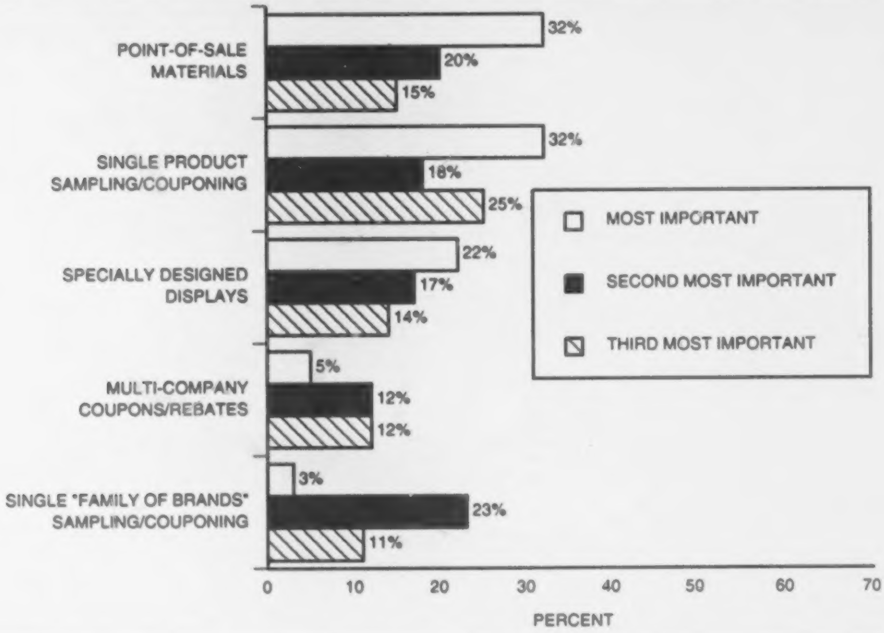


Source: Donnelley Marketing Thirteenth Annual Survey of Promotional Practices, 1991.

PRINCIPAL IN-STORE CONSUMER PROMOTIONS USED: 1990

BASED ON DOLLAR IMPORTANCE

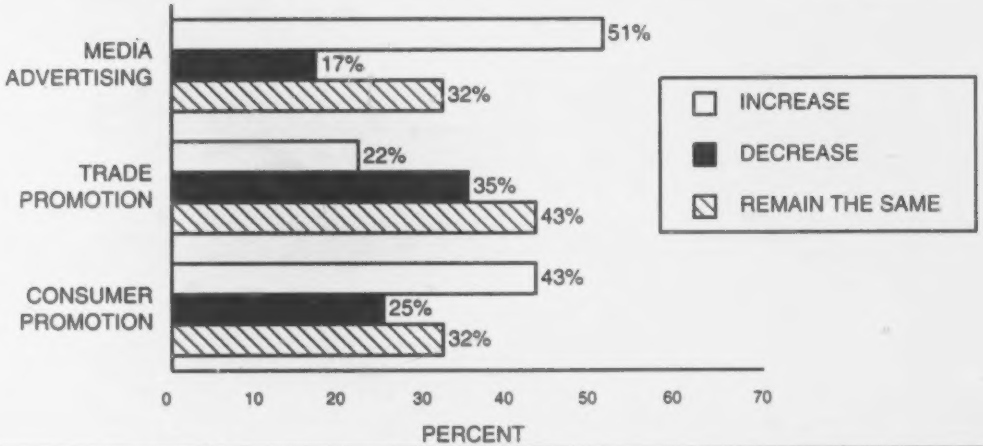
The chart shows that there were three main types of in-store promotions being used in 1990: Point-of-sale (POS) materials, single product line sampling/couponing and specially designed displays.



Source: Donnelley Marketing Thirteenth Annual Survey of Promotional Practices, 1991.

OUTLOOK FOR PROMOTIONAL ALLOCATIONS: 1991

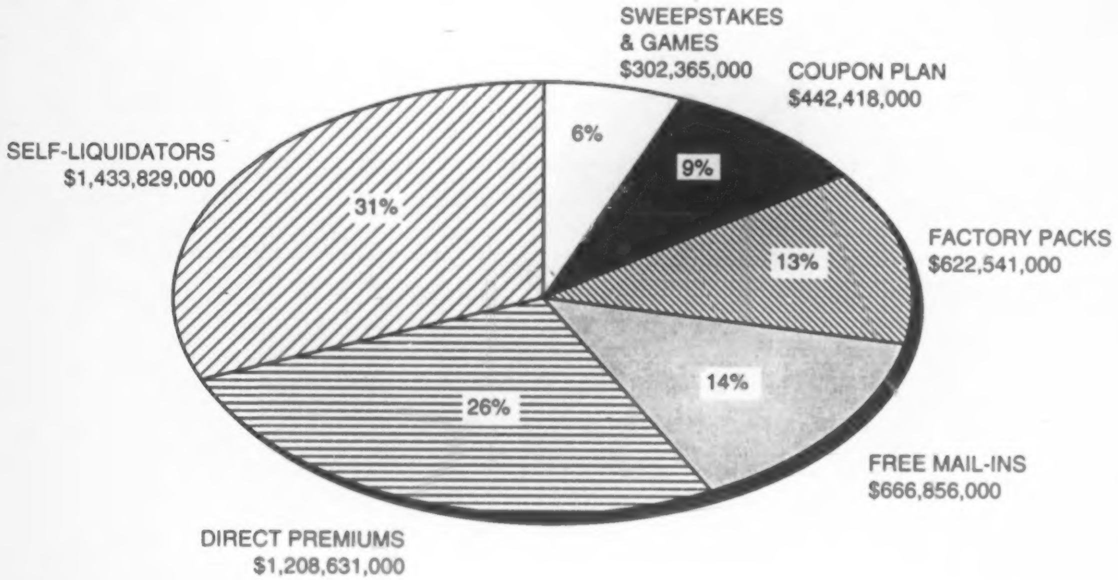
The findings show that for 1991, respondents anticipate the highest share increase for media advertising.



Source: Donnelley Marketing Thirteenth Annual Survey of Promotional Practices, 1991.

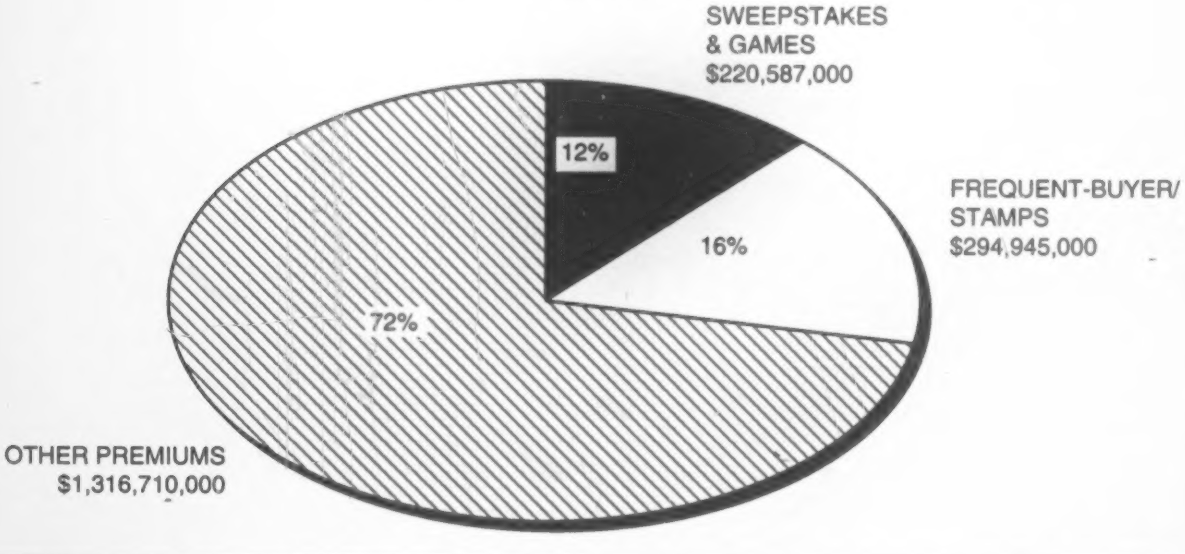
1990 CONSUMER INCENTIVE USAGE

PRODUCT PROMOTION *



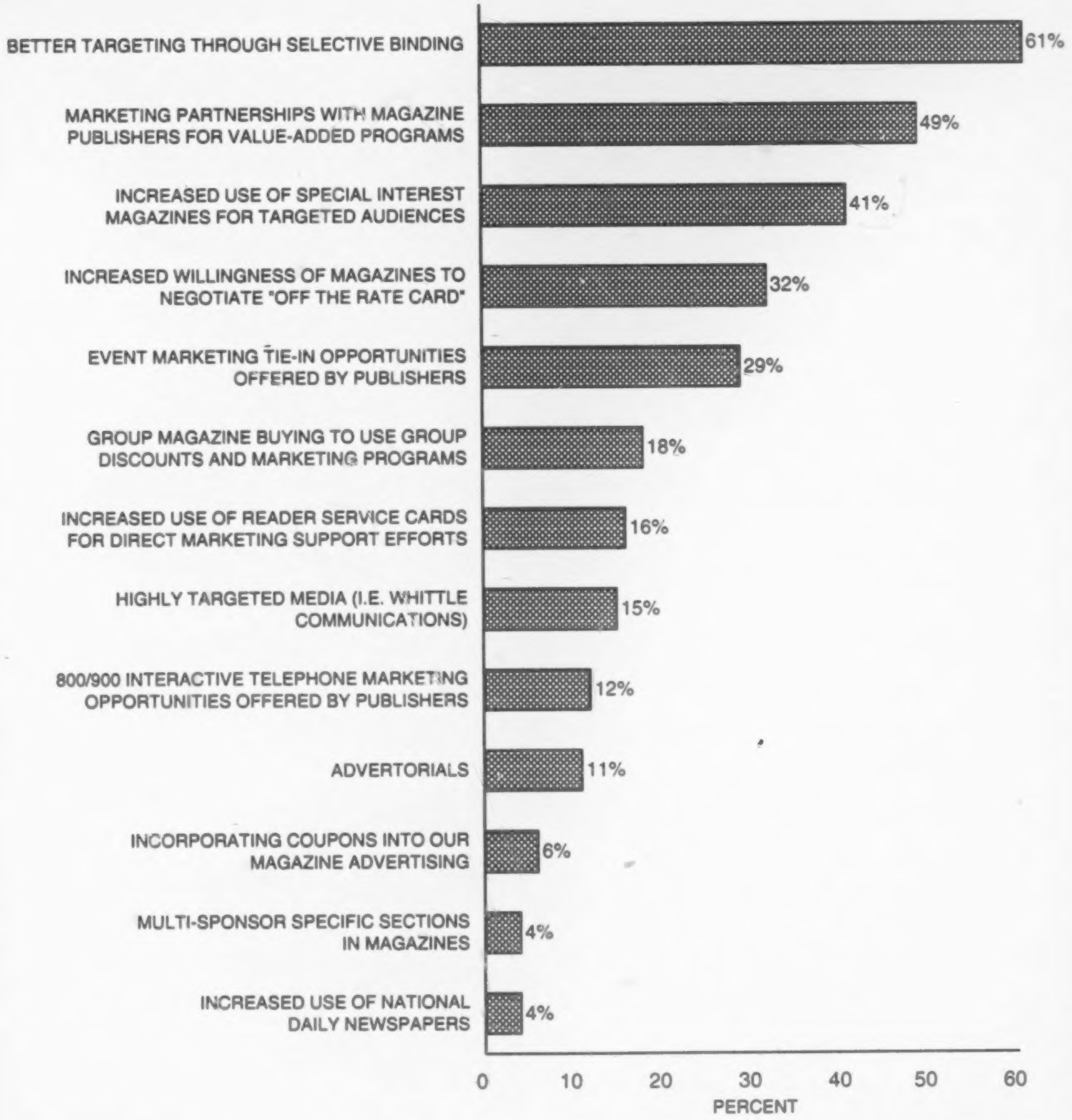
*Includes manufacturers, distributors and wholesalers

RETAILER PROMOTION



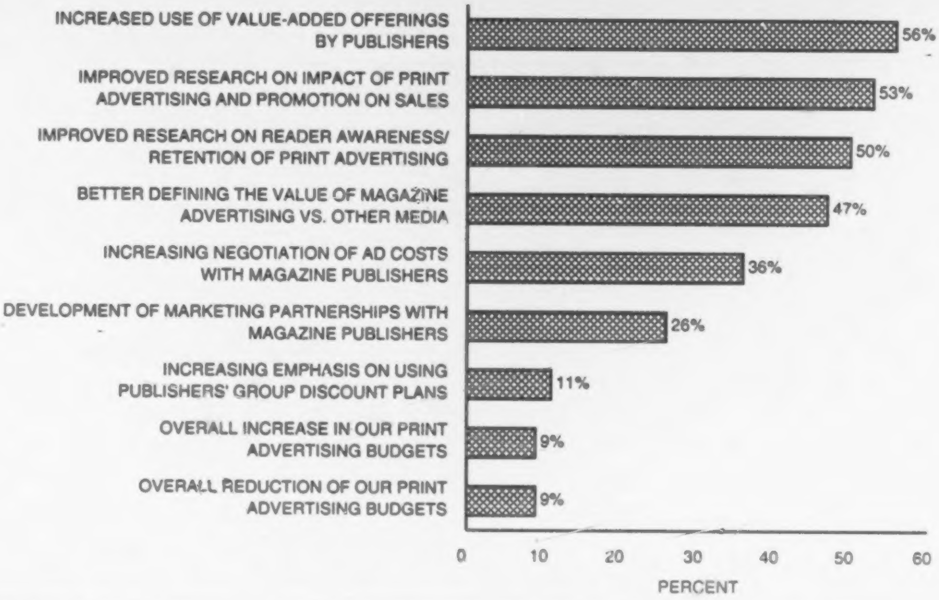
Source: *Incentive* Magazine, 1991.

MOST IMPORTANT MARKETING OPPORTUNITIES FOR FUTURE PRINT MARKETING PLANS



Source: Myers Marketing & Research, 1991.

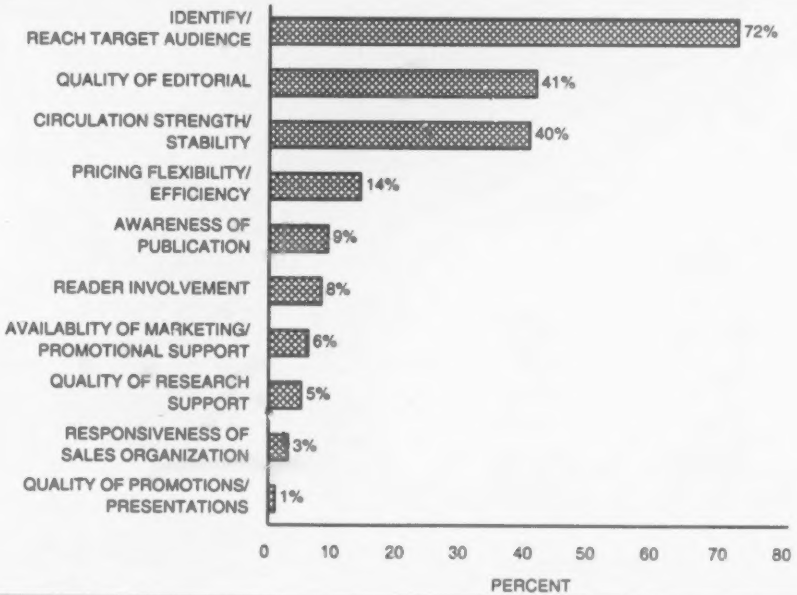
MOST IMPORTANT MARKETING PRIORITIES FOR FUTURE PRINT MARKETING PLANS



Source: Myers Marketing & Research, 1991.

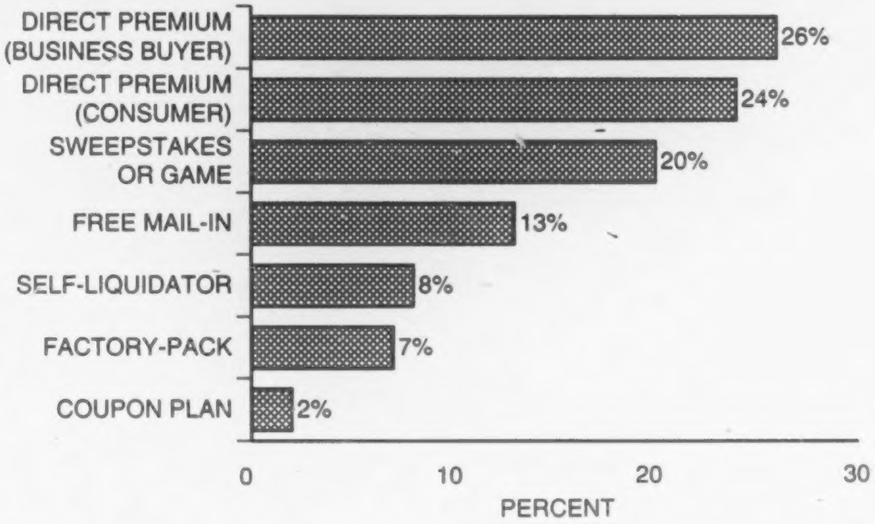
CONTRIBUTING FACTORS TO PRINT MEDIA SELECTION

Ability to reach and identify target audience, editorial product and circulation strength and stability are the most important contributing factors to print media selection.



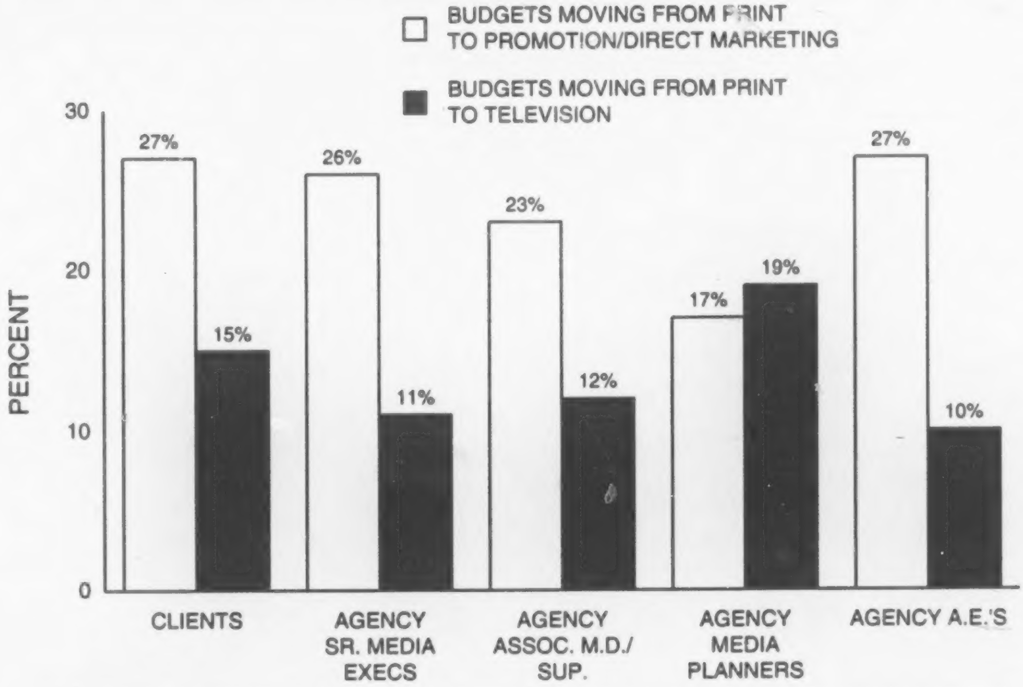
Source: Source: Myers Marketing & Research, 1991.

CONSUMER PROMOTIONS—FREQUENCY BY TYPE



Source: *Incentive* Magazine, 1991.

BUDGETS: MOVEMENT FROM PRINT TO OTHER AREAS



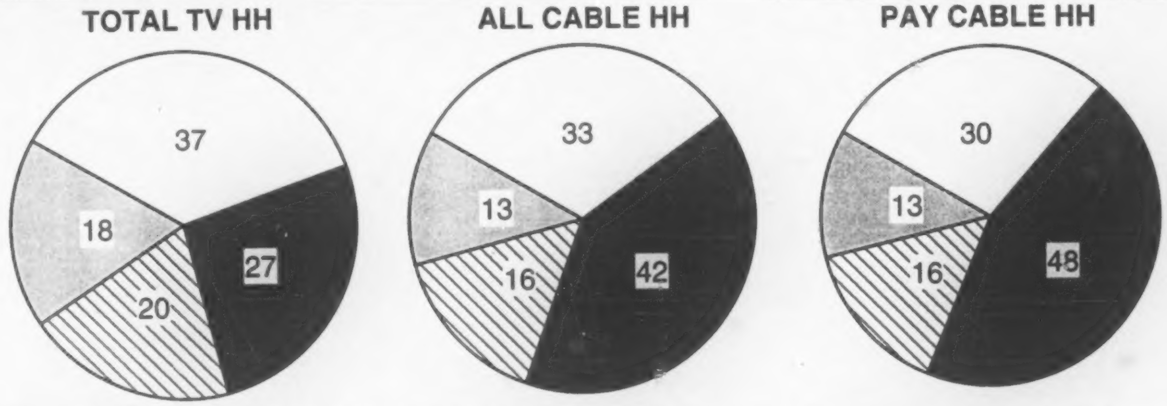
Source: Myers Marketing & Research, 1991.

• TELEVISION

TRENDS

HOW TELEVISION VIEWERS DIVIDE THEIR TIME AMONG MAJOR PROGRAMMING SOURCES

These charts reflect the distribution of all television viewing (Mon-Sun, 24 hrs/day) among the major programming sources. For example, of all the viewing that takes place in cable households (center pie), 42% is to cable programming, 33% is to broadcast network, 13% is to affiliates (non-network programming) and 16% is to independents. Below the pie is a more detailed breakdown of viewership for each of these program sources.



		TOTAL TV HH	ALL CABLE HH	PAY CABLE HH
□	**BROADCAST NETWORK AFFILIATES**			
	NETWORK PROGRAMMING	%	%	%
	PRIMETIME	16	14	12
	DAYTIME	10	9	9
	EARLY MORNING	2	2	2
	LATE NIGHT	3	3	2
	WEEKEND MORNING	2	2	2
	WEEKEND DAY	4	3	3
	TOTAL	37	33	30
░	NON-NETWORK PROGRAMMING	18	13	13
	TOTAL AFFILIATES	55	46	43
■	**CABLE PROGRAMMING**			
	BASIC	21	32	30
	PAY	6	10	18
	TOTAL	27	42	48
▨	**INDEPENDENTS**			
	LOCAL	14	10	10
	DISTANT	2	2	2
	SUPERSTATIONS*	4	4	4
	TOTAL	20	16	16
	PUBLIC			
	TOTAL	3	3	2

*Superstation—a local station that sends its signal via satellite to subscribing cable systems throughout the country.

Source: Cabletelevision Advertising Bureau, Inc., Cable TV Facts, 1991.

CABLE SUBSCRIBER DEMOGRAPHICS VS. USERS OF OTHER MEDIA

Cable offers advertisers an important competitive edge over other media. Cable viewers are younger, better educated, more affluent, hold higher level employment, and live in larger households. The following statistics are based on a 1990 index of the total population.

HOUSEHOLD INCOME	TOTAL U.S.	CABLE NETWORK*	PRIME TIME TV	RADIO	NEWS-PAPER	MAGA-ZINE
$75,000+	100	127	94	108	132	107
$40,000—$75,000	100	118	98	107	114	106
$20,000—$40,000	100	100	101	102	100	101
Under $20,000	100	75	102	89	78	91
EDUCATION						
COLLEGE GRADUATE	100	112	96	107	125	107
ATTENDED COLLEGE	100	109	98	106	107	107
HS GRADUATE	100	103	101	102	99	102
NOT HS GRADUATE	100	80	102	88	78	85
OCCUPATION						
EXECUTIVE/MANAGERIAL ADMINISTRATIVE	100	123	101	110	124	108
PROFESSIONAL	100	110	96	108	120	107
EMPLOYED FULL TIME	100	107	98	108	104	102
OTHER EMPLOYED	100	98	93	105	90	98
NOT EMPLOYED	100	88	104	87	94	95
HOUSEHOLD SIZE						
3 + PERSONS	100	107	99	104	99	102
2	100	98	102	96	105	99
1	100	74	100	91	92	94
AGE						
18—34	100	101	95	109	84	103
35—54	100	107	101	104	109	102
55+	100	90	106	83	111	94

*Any viewing past week.

Source: Cabletelevision Advertising Bureau, Inc., Cable TV Facts, 1991.

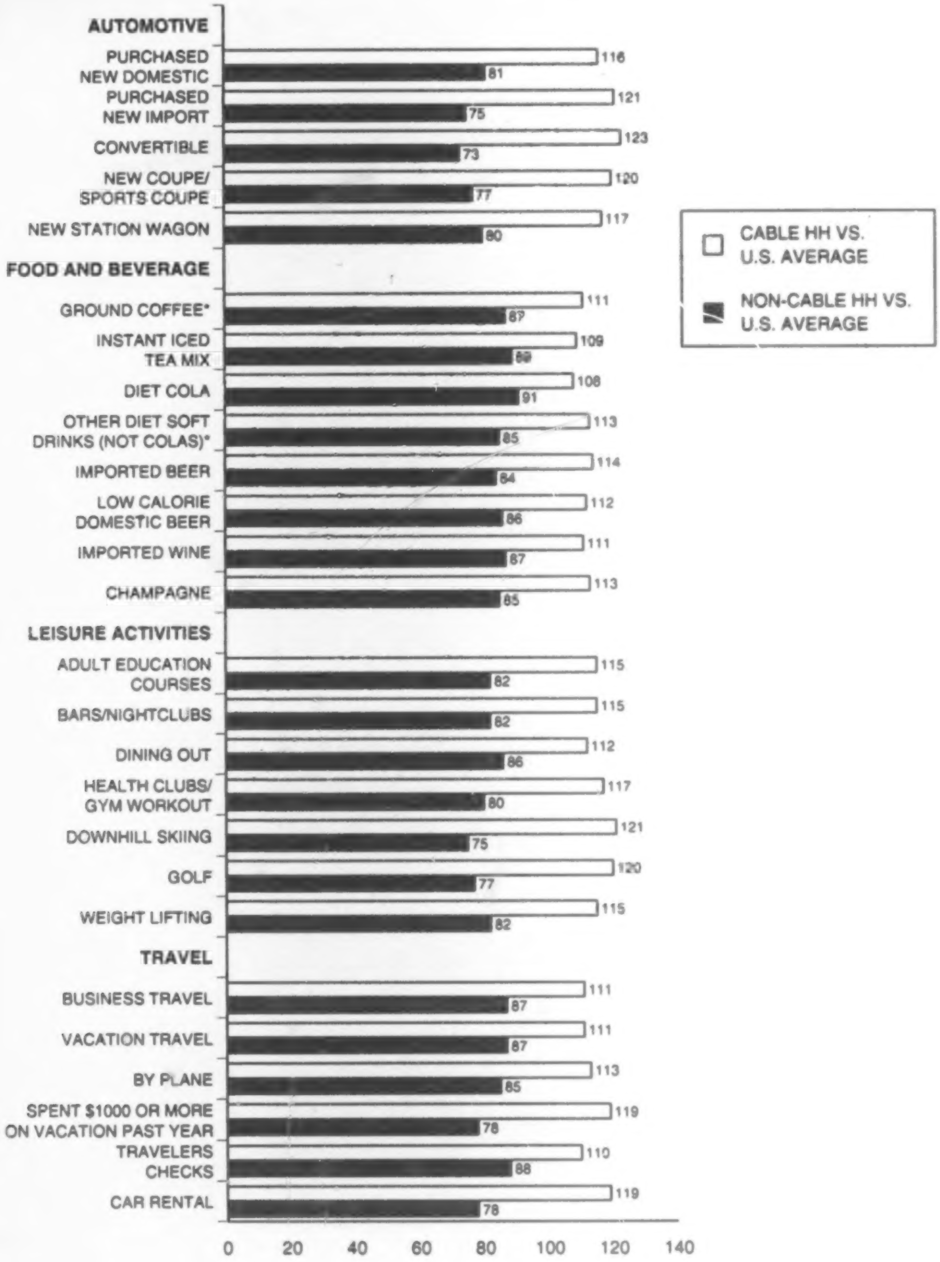
NATIONAL GROWTH IN CABLE SUBSCRIBERS AND HOUSEHOLD PENETRATION 1980—1990

Cable penetration has increased by over 2.3 million homes from November 1989 to November 1990.

YEAR	CABLE SUBSCRIBERS (000)	HOUSEHOLD PENETRATION %	PAY SUBSCRIBERS (000)
1990	54,871	59.0	26,906
1989	52,564	57.1	28,643
1988	48,637	53.8	28,114
1987	44,971	50.5	27,600
1986	42,237	48.1	23,709
1985	39,873	46.2	24,165
1984	37,291	43.7	22,375
1983	33,794	40.5	21,151
1982	29,341	35.0	17,311
1981	23,219	28.3	11,842
1980	17,671	22.6	7,599

Source: Cabletelevision Advertising Bureau, Inc., Cable TV Facts, 1991.

CONSUMPTION OF SELECT PRODUCTS AND SERVICES IN CABLE HOUSEHOLDS VS. NON-CABLE HOUSEHOLDS

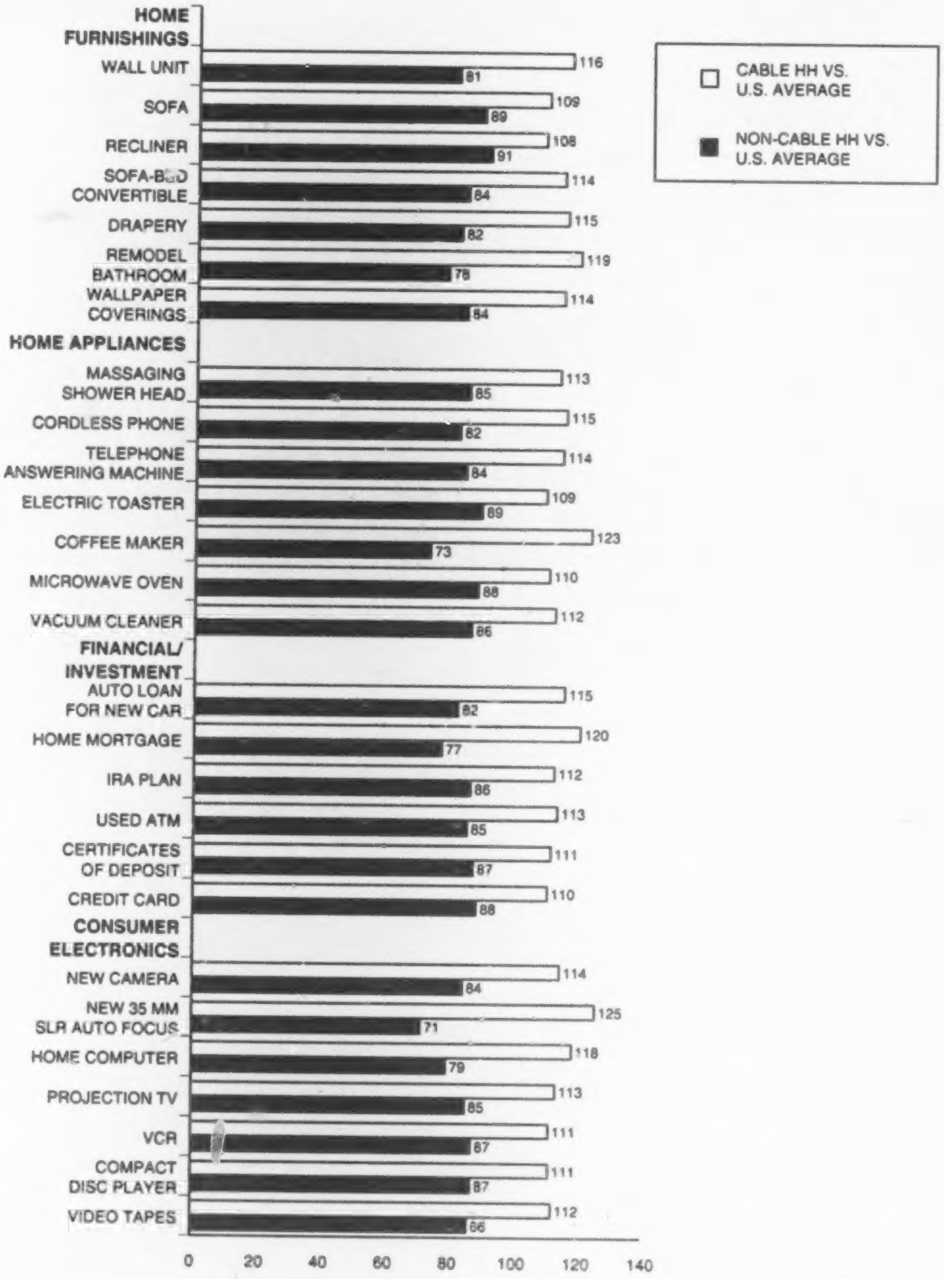


*DENOTES HEAVY USE

(Continued)

CONSUMPTION OF SELECT PRODUCTS AND SERVICES IN CABLE HOUSEHOLDS VS. NON-CABLE HOUSEHOLDS

(CONTINUED)

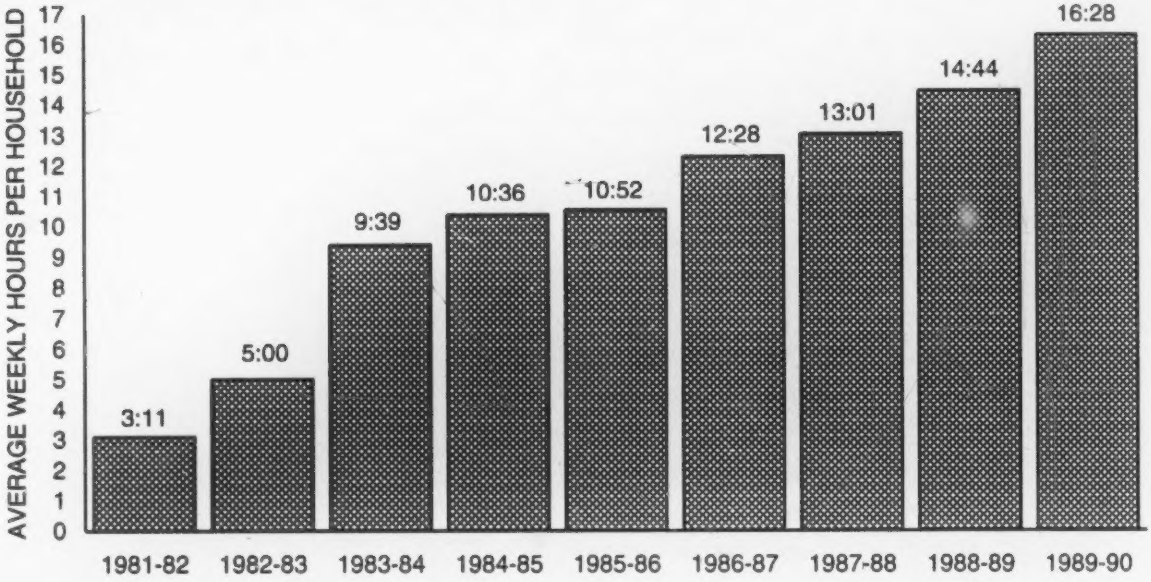


*DENOTES HEAVY USE

Source: Cabletelevision Advertising Bureau, Inc., Cable TV Facts, 1991.

CABLE TV VIEWING HOURS PER HOUSEHOLD PER WEEK

CABLE TV VIEWING HOURS HAS RISEN OVER 50% IN FIVE YEARS



Source: Cabletelevision Advertising Bureau, Inc., Cable TV Facts, 1991.

LISTS/DATABASES

CONSUMER ATTITUDES

TRENDS

PROJECTIONS

The following charts are taken from *The Equifax Report on Consumers in the Information Age*, a national opinion study exploring public and leadership experiences with, and attitudes toward, the use of personal information in a wide variety of contexts. The survey, consisting mainly of interviews conducted with a cross section of 2,254 Americans eighteen years of age and older, was conducted in early 1990.

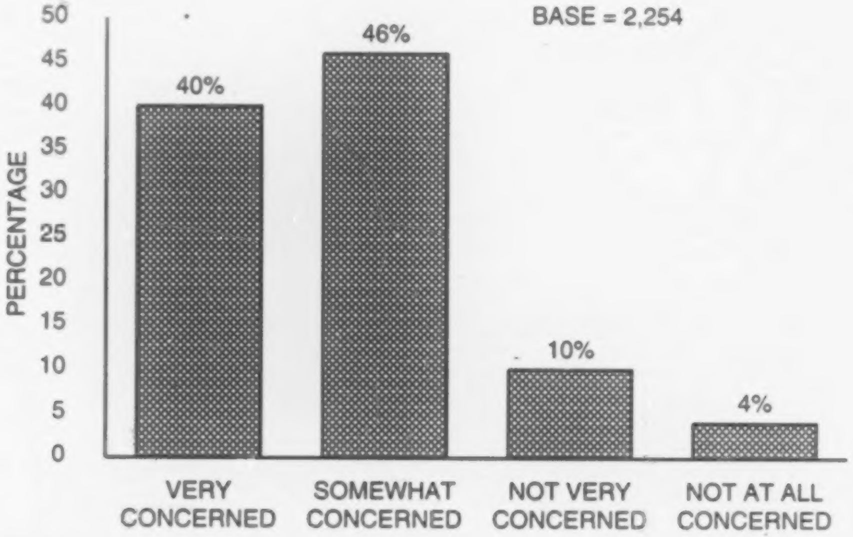
PUBLIC PERCEPTIONS OF USE OF NAMES AND ADDRESSES BY DIRECT MARKETERS

ACCEPTABLE OR UNACCEPTABLE

	Base	Acceptable %	Unacceptable %	Not Sure %
Total Public	2,253	67	31	2
Sex				
Male	1,018	67	30	2
Female	1,235	67	31	2
Age				
18—29 years	505	79	20	1
30—49 years	990	70	28	2
50 years and over	734	54	42	4
Education				
Less than high school	264	62	35	3
High school graduate	794	69	30	2
Some college	570	67	31	3
College graduate	357	75	24	1
Postgraduate	253	64	34	2
Race				
White	1,934	66	31	2
Black	186	70	27	3
Hispanic	133	69	29	2
Household Member				
Bought/Responded to credit offer by mail	883	76	23	1
Hasn't Bought/Responded to credit offer by mail	1,345	61	36	3

Source: Equifax, Inc., The Equifax Report on Consumers in the Information Age, 1990.

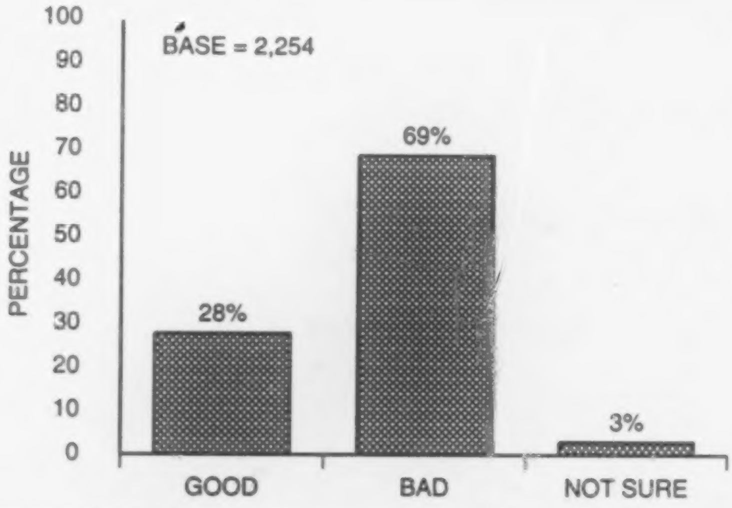
CONSUMER LEVEL OF CONCERN WITH SELLING LISTS OF CONSUMER CHARACTERISTICS



Source: Equifax, Inc., The Equifax Report on Consumers in the Information Age, 1990.

PUBLIC PERCEPTIONS OF LIST SELLING PRACTICES

IS IT GOOD OR BAD TO SELL LISTS OF CONSUMER CHARACTERISTICS

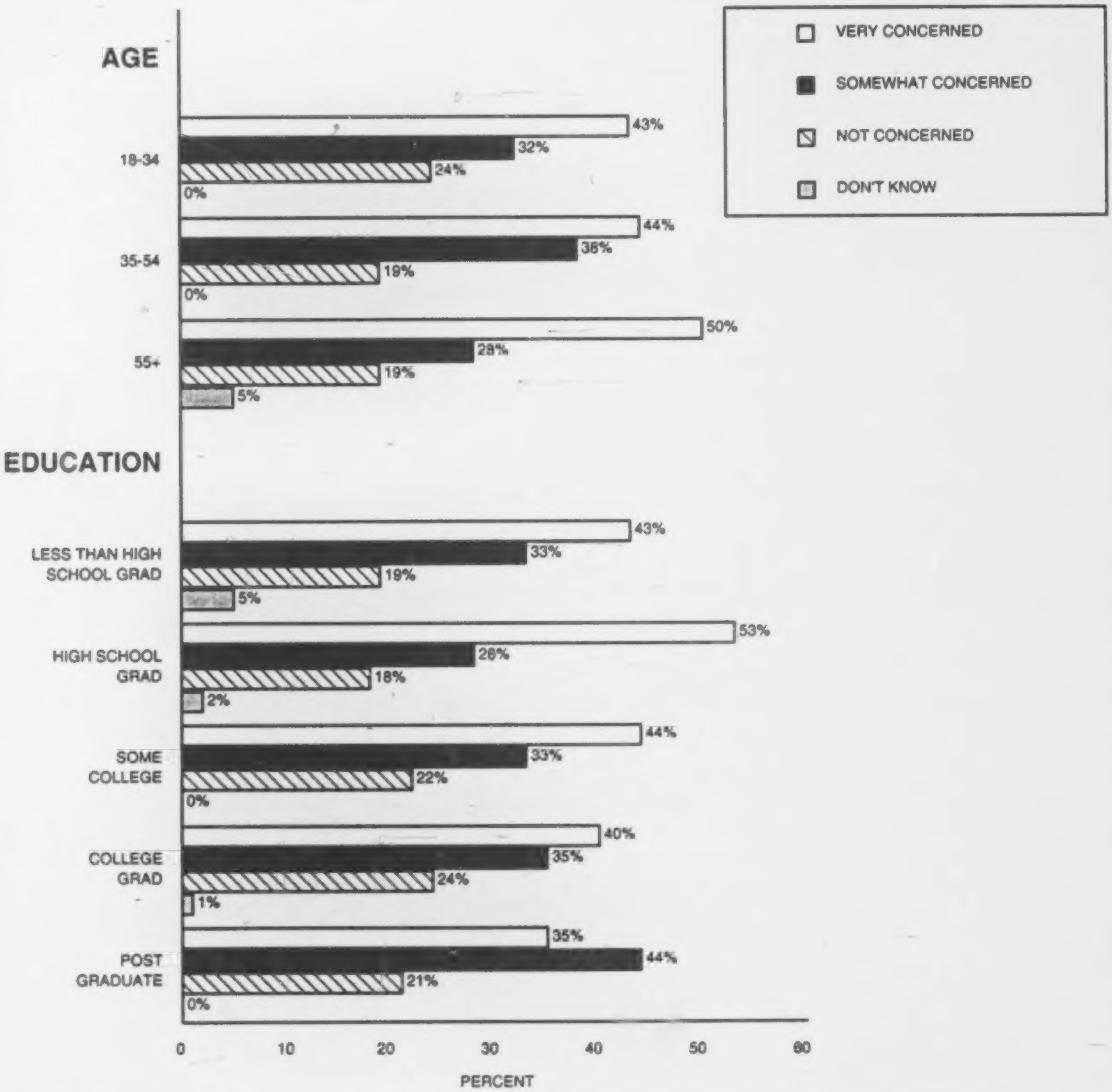


Source: Equifax, Inc., The Equifax Report on Consumers in the Information Age, 1990.

CONSUMER'S CONCERN ABOUT INFORMATION GATHERED BY MARKETERS

BY AGE AND EDUCATION

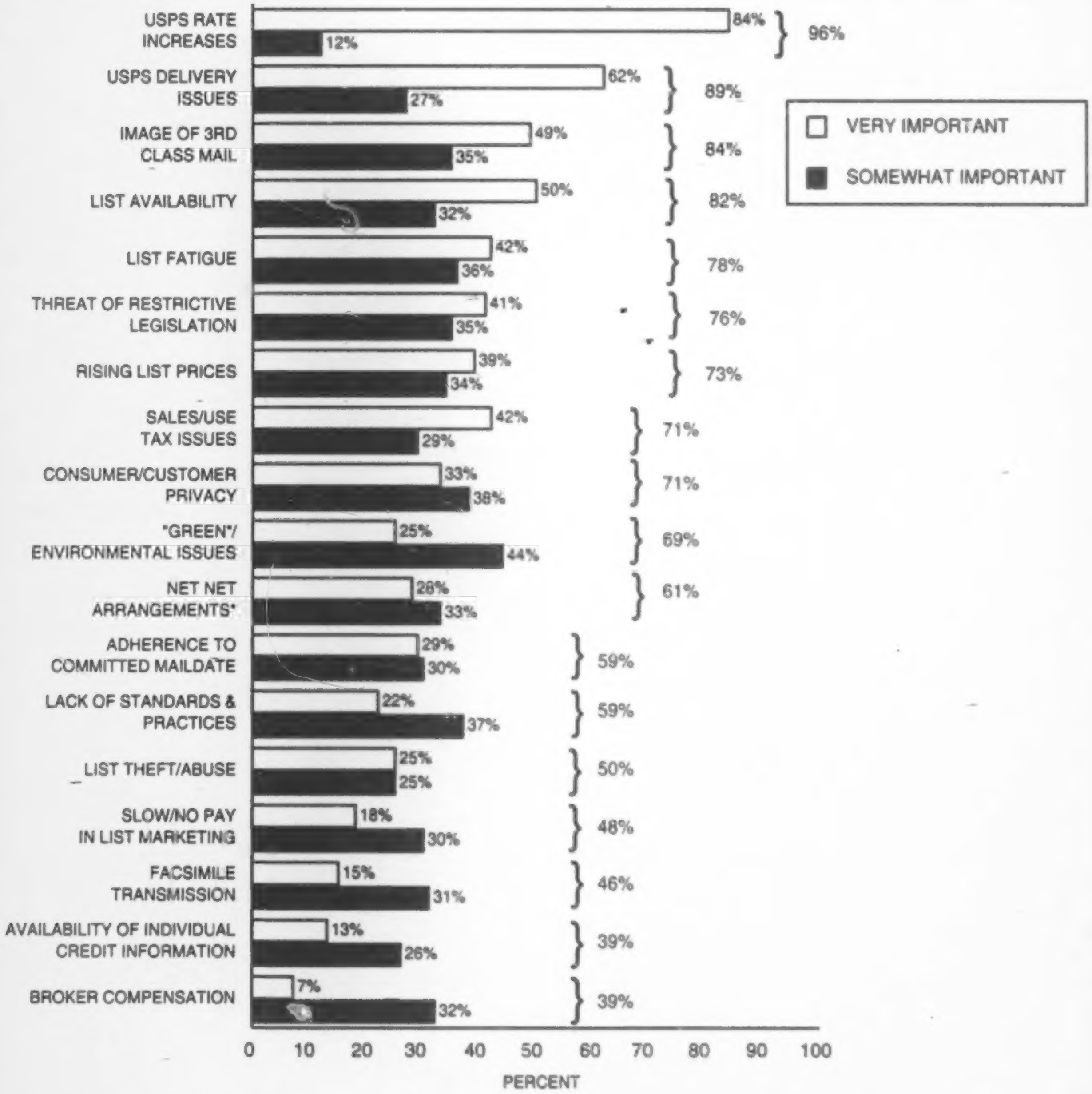
The Gallup Organization conducted a survey for Advertising Age in 1991 to find out consumer's attitudes about the amount and kinds of information marketers are gathering. The telephone survey was conducted among 1,005 randomly selected adults nationwide.



Source: Advertising Age/The Gallup Organization, 1991.

IMPORTANT ISSUES FACING LIST INDUSTRY IN 1990

Top issues cited as "very/somewhat important" were those pertaining to the postal service, namely USPS rate increases and USPS delivery issues. The negative image of third-class mail also emerged in 1990 as a vital issue.

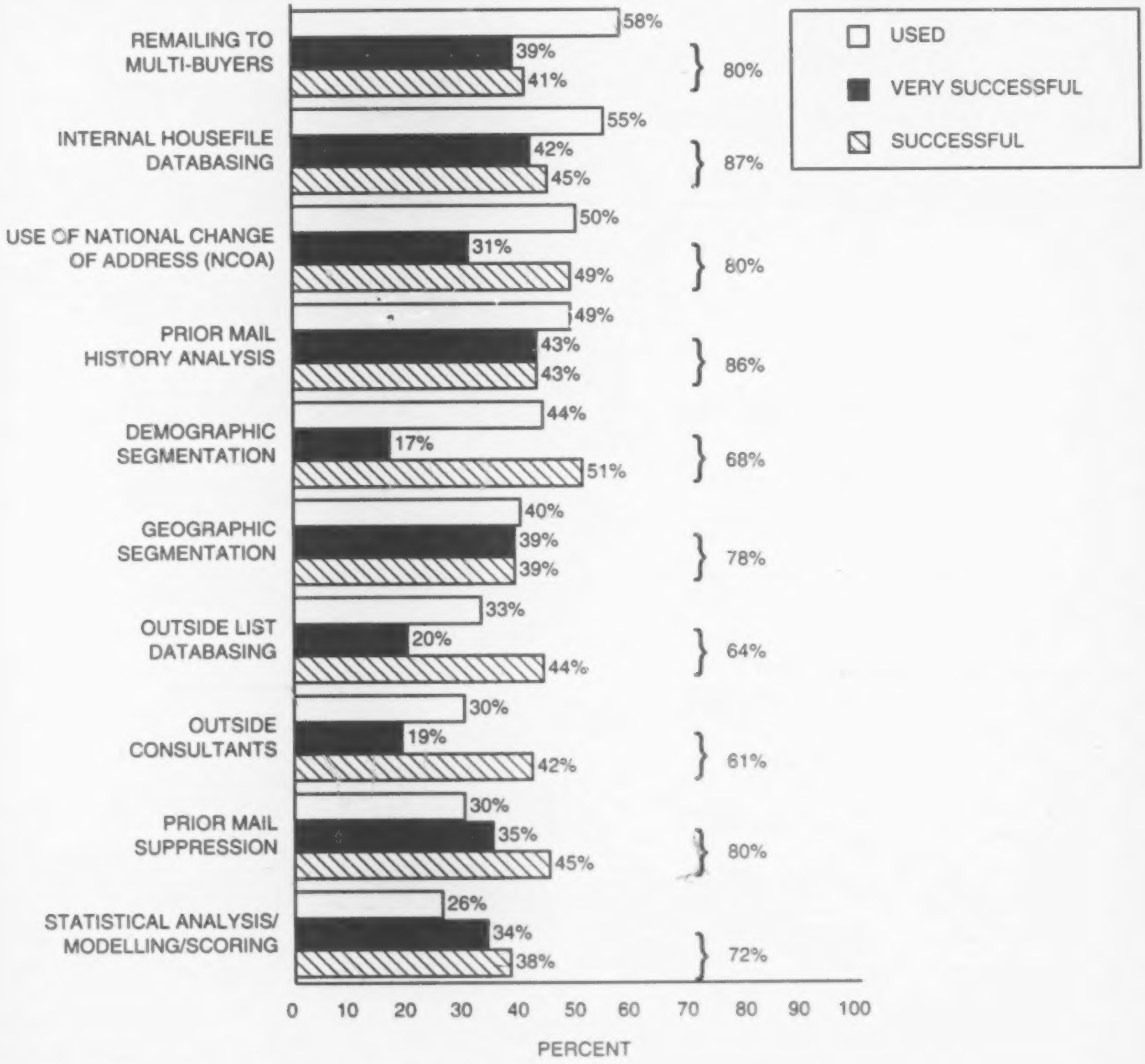


*Net Name Arrangement—an agreement between list owner and list user in which the list owner agrees to accept payment for only names mailed rather than the total names shipped, plus a small running charge for names provided but not mailed. Typically a minimum is set (85% is frequently used).

Source: DMA List Council/Research Department: 11th Annual List Usage Survey, 1991.

TOP TEN LIST TECHNIQUES USED TO IMPROVE UP-FRONT RESPONSE AND BACK-END PERFORMANCE

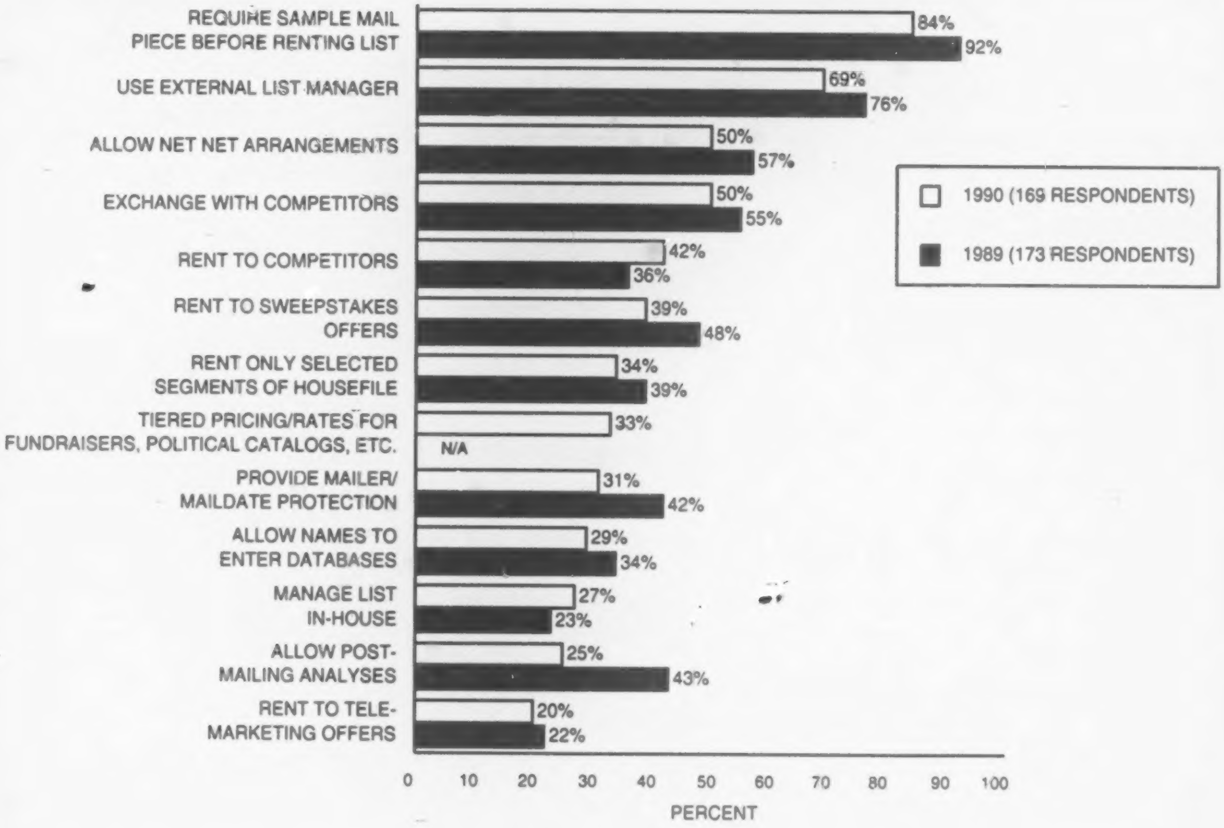
Respondents are relying primarily on remailing to multi-buyers and internal housefile databasing to improve up-front response and back-end performance.



Source: DMA List Council/Research Department: 11th Annual List Usage Survey, 1991.

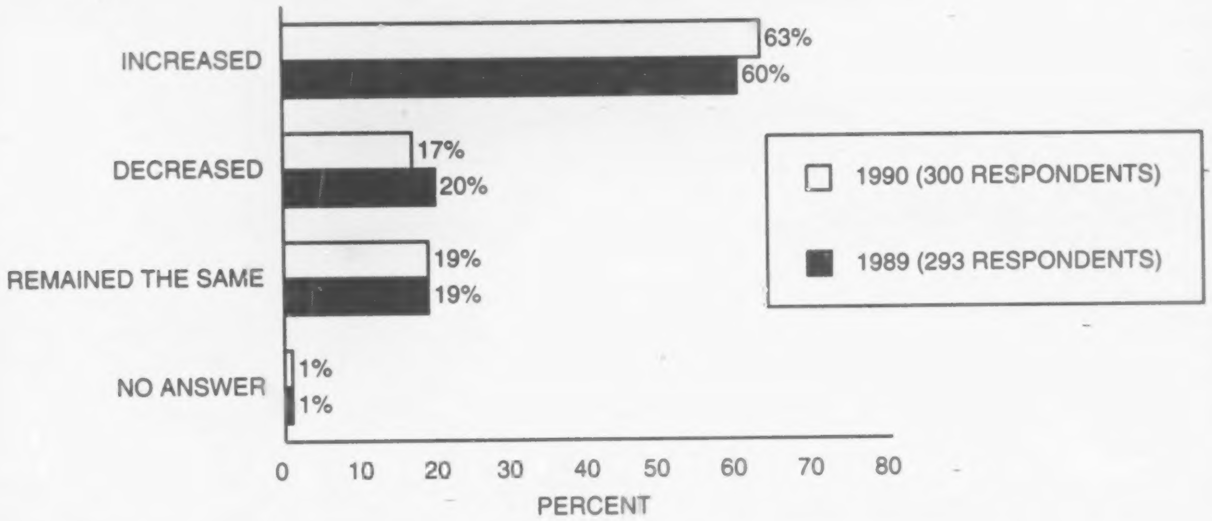
TRENDS IN LIST RENTAL PRACTICES UTILIZED: 1990 vs. 1989

Requiring a sample mail piece before renting a list, using an external list manager and allowing net net arrangements were the top list practices used. Although there was a decrease in most list practices utilized compared to 1989, renting to competitors increased from 36% to 42%.



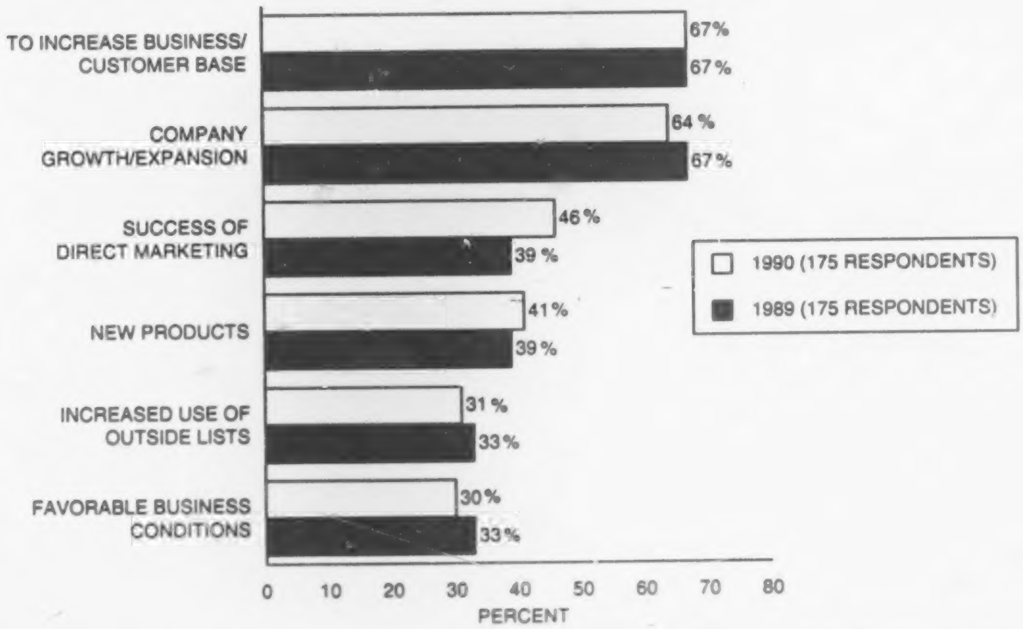
Source: DMA List Council/Research Department: 10th & 11th Annual List Usage Survey, 1990, 1991.

TRENDS IN OVERALL MAILING QUANTITIES: 1990 vs. 1989



Source: DMA List Council/Research Department: 10th & 11th Annual List Usage Survey, 1990, 1991.

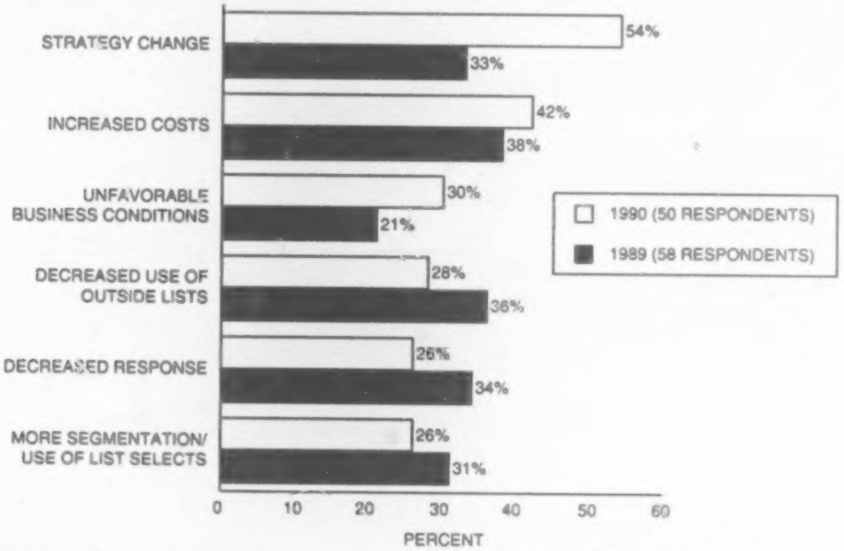
TOP SIX REASONS FOR MAILING QUANTITIES INCREASING: 1990 vs. 1989



Source: DMA List Council/Research Department: 10th & 11th Annual List Usage Survey, 1990, 1991

TOP SIX REASONS FOR MAILING QUANTITIES DECREASING: 1990 vs. 1989

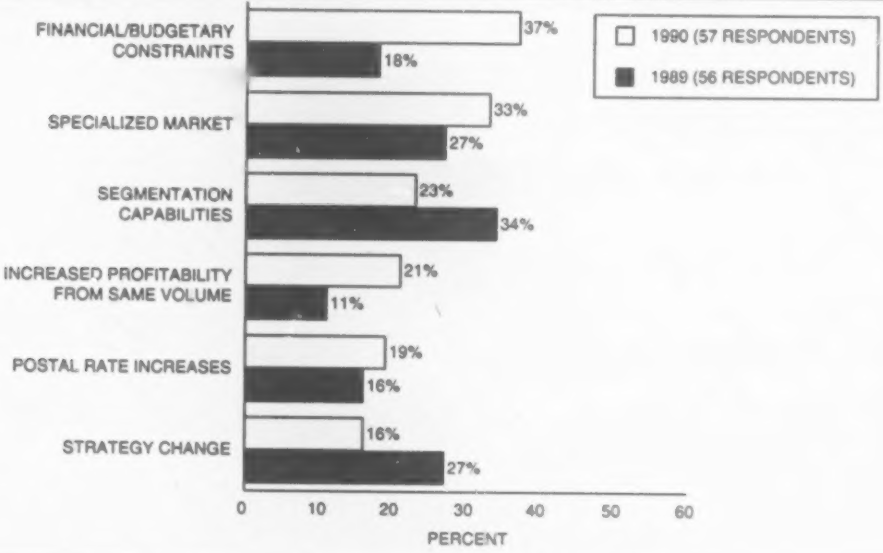
Compared to 1989, more respondents cite strategy change for decreased mailing quantities, with this reason moving from 5th place in 1989 to 1st place in 1990.



Source: DMA List Council/Research Department: 10th & 11th Annual List Usage Survey, 1990, 1991.

TOP SIX REASONS FOR MAILING QUANTITIES STAYING STABLE: 1990 vs. 1989

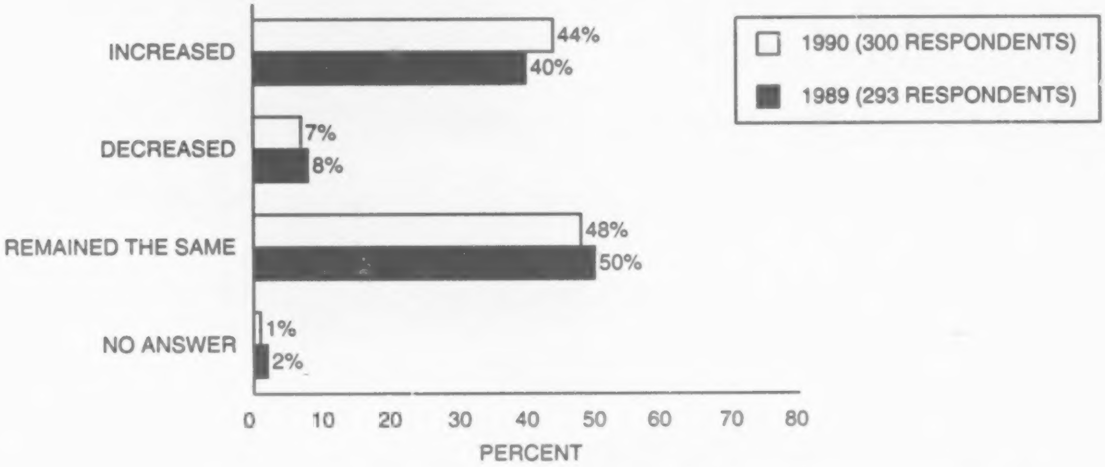
Financial/Budgetary constraints are cited as the top reasons for mailing quantities remaining the same, moving from 5th place to 1st place.



Source: DMA List Council/Research Department: 10th & 11th Annual List Usage Survey, 1990, 1991.

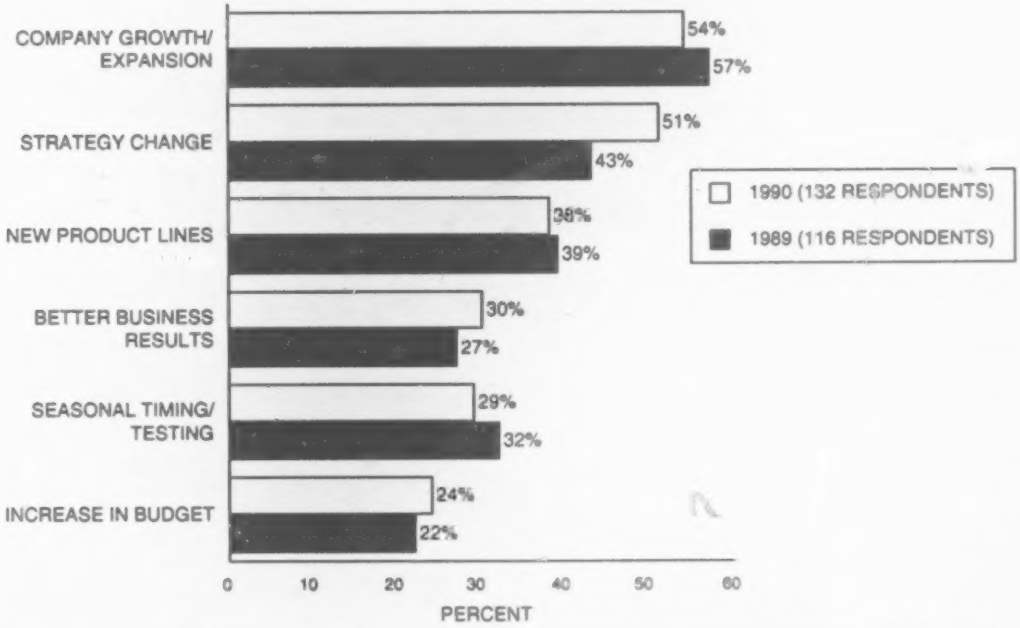
TRENDS IN STATUS OF MAILING FREQUENCY: 1990 vs. 1989

The rate of increased mailing frequency rose by 4% from 1989, while the rate of decreased mailing frequency remained about the same.



Source: DMA List Council/Research Department: 10th & 11th Annual List Usage Survey, 1990, 1991.

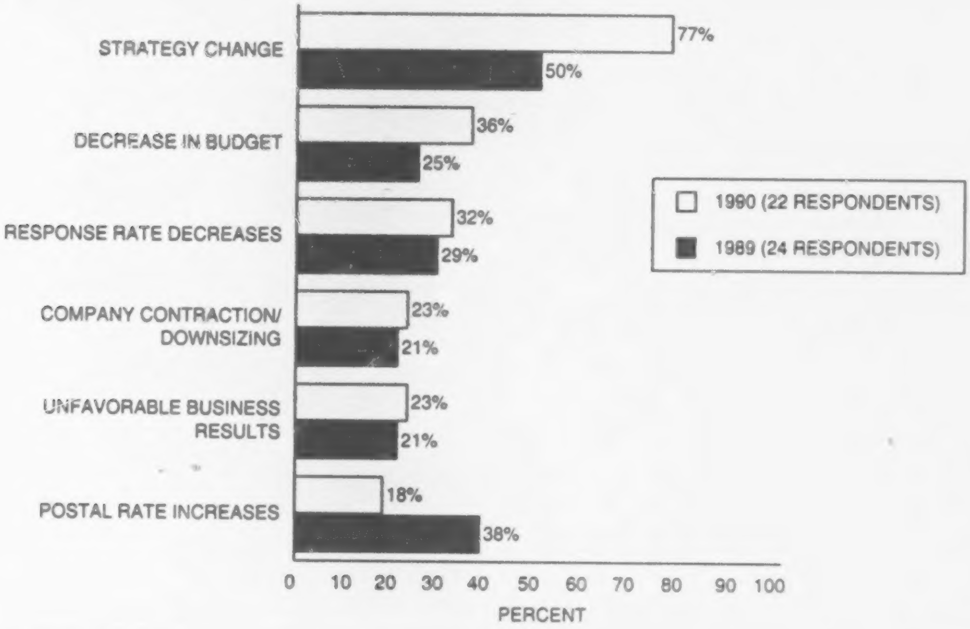
TOP SIX REASONS FOR INCREASES IN MAILING FREQUENCY: 1990 vs. 1989



Source: DMA List Council/Research Department: 10th & 11th Annual List Usage Survey, 1990, 1991.

TOP SIX REASONS FOR DECREASES IN MAILING FREQUENCY: 1990 vs. 1989

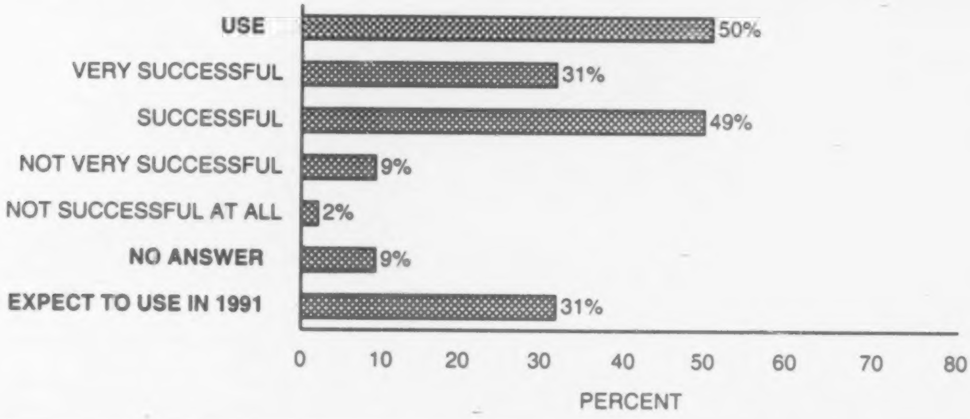
Strategy change remains the top reason for decreases in mailing frequency with a noticeable increase in respondents citing this factor compared to 1989.



Source: DMA List Council/Research Department: 10th & 11th Annual List Usage Survey, 1990, 1991.

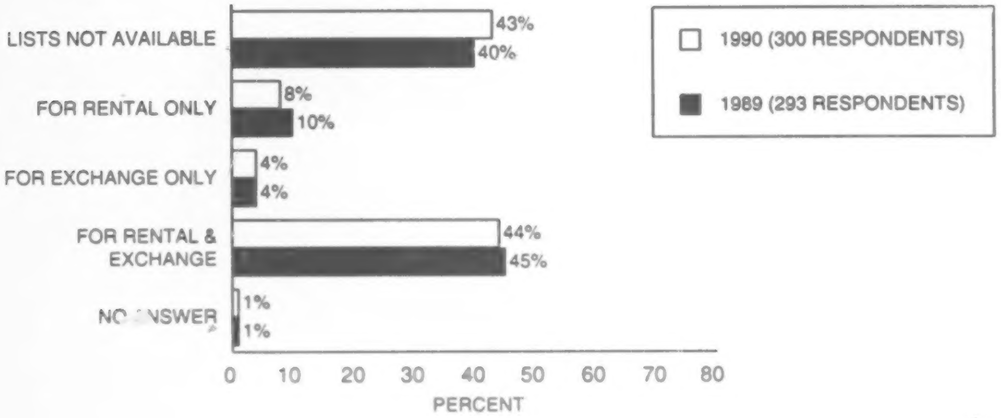
USAGE OF NCOA: 1990

Of those respondents reporting usage of NCOA, 80% indicate that it has been very successful or successful.



Source: DMA List Council/Research Department: 11th Annual List Usage Survey, 1991.

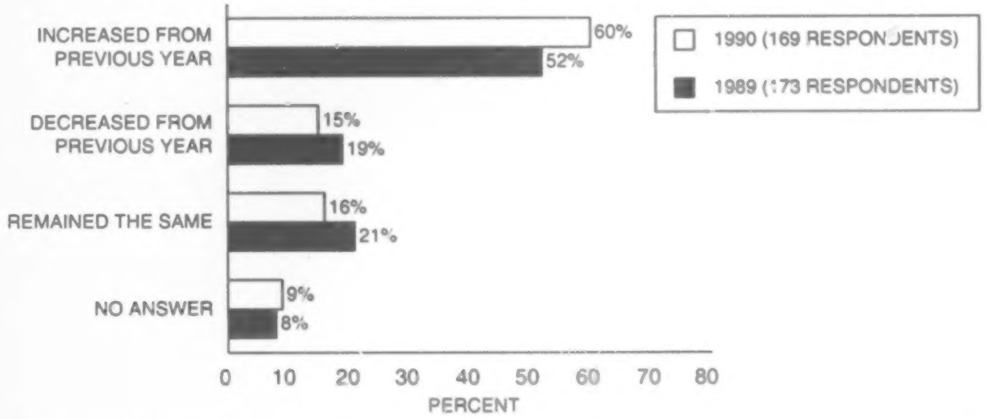
TRENDS IN LIST RENTAL PRACTICES: LIST AVAILABILITY: 1990 vs. 1989



Source: DMA List Council/Research Department: 10th & 11th Annual List Usage Survey, 1990, 1991

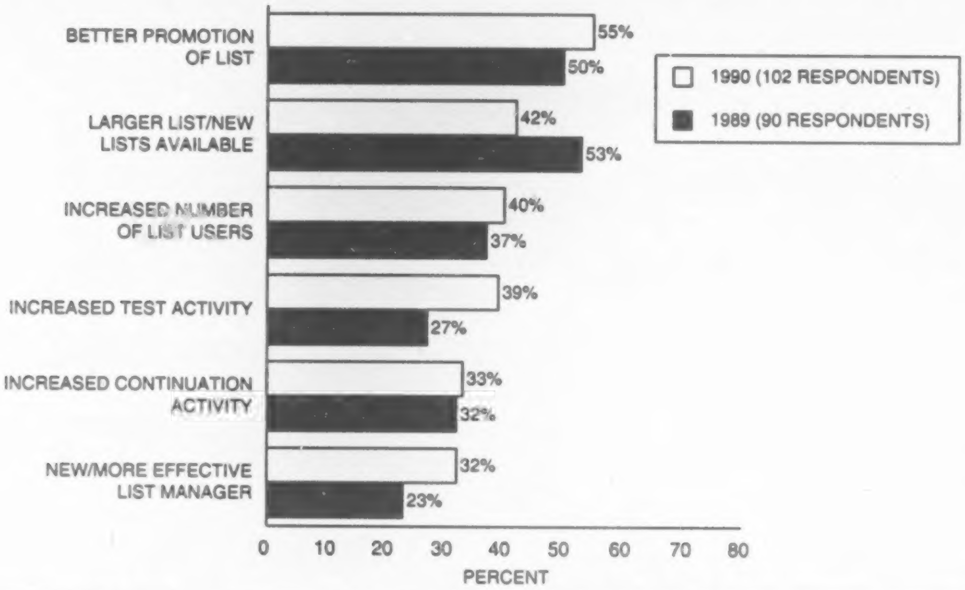
TRENDS IN LIST RENTAL INCOME: 1990 vs. 1989

More respondents indicate an increase in list rental income in 1990, compared to 1989's results.



Source: DMA List Council/Research Department: 10th & 11th Annual List Usage Survey, 1990, 1991

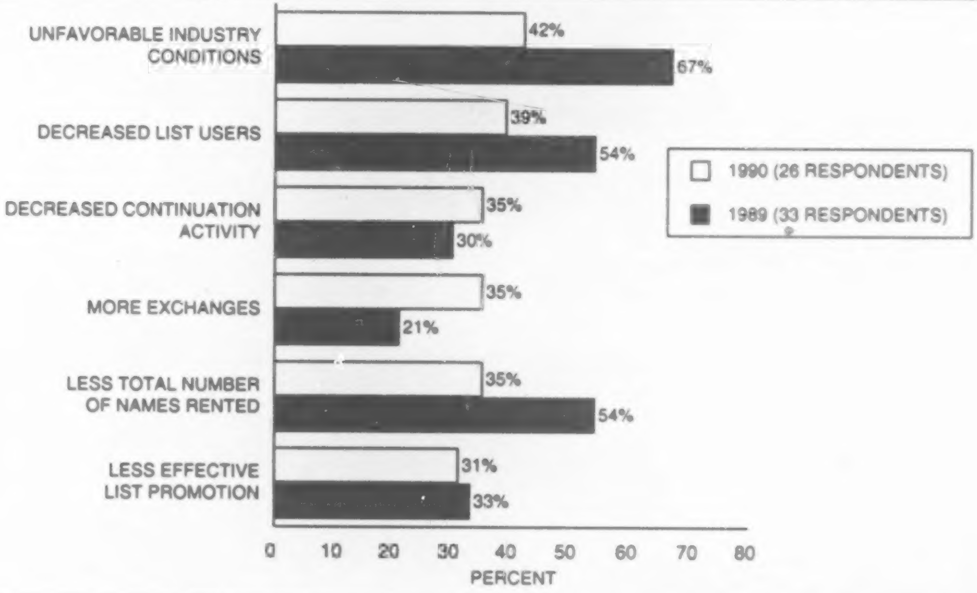
TOP SIX REASONS FOR INCREASED LIST RENTAL INCOME: 1990 vs. 1989



Source: DMA List Council/Research Department: 10th & 11th Annual List Usage Survey, 1990, 1991.

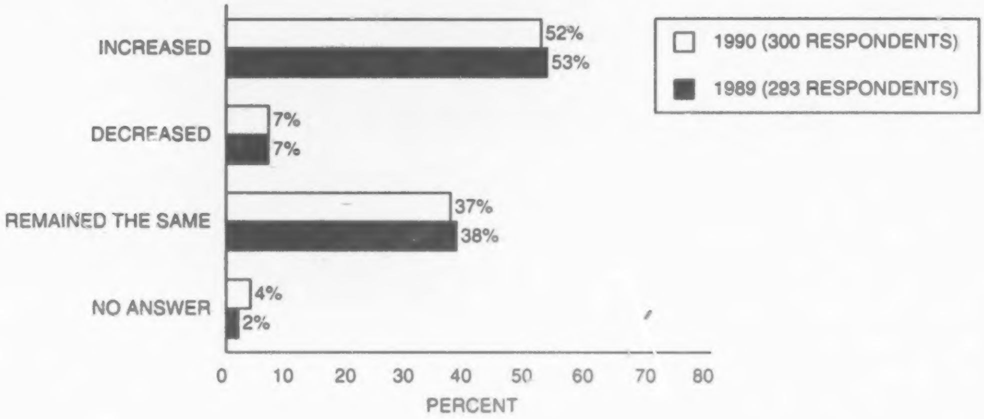
TOP SIX REASONS FOR DECREASED LIST RENTAL INCOME: 1990 vs. 1989

Unfavorable industry conditions and decreased list users remain the top 2 reasons for decreased list rental income.



Source: DMA List Council/Research Department: 10th & 11th Annual List Usage Survey, 1990, 1991.

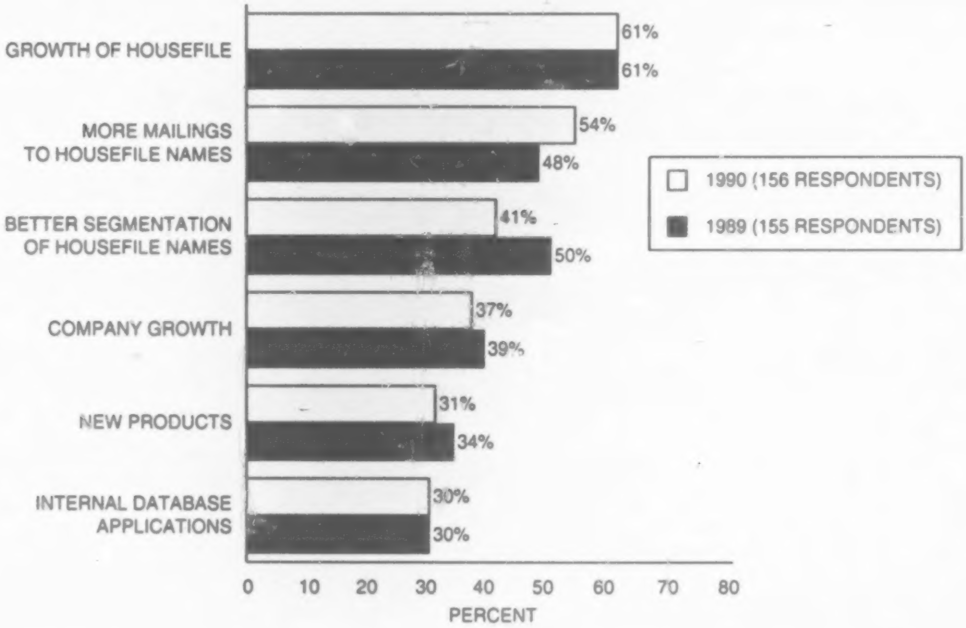
TRENDS IN HOUSEFILE USAGE: 1990 vs. 1989



Source: DMA List Council/Research Department: 10th & 11th Annual List Usage Survey, 1990, 1991.

TOP SIX REASONS FOR INCREASED HOUSEFILE USAGE: 1990 vs. 1989

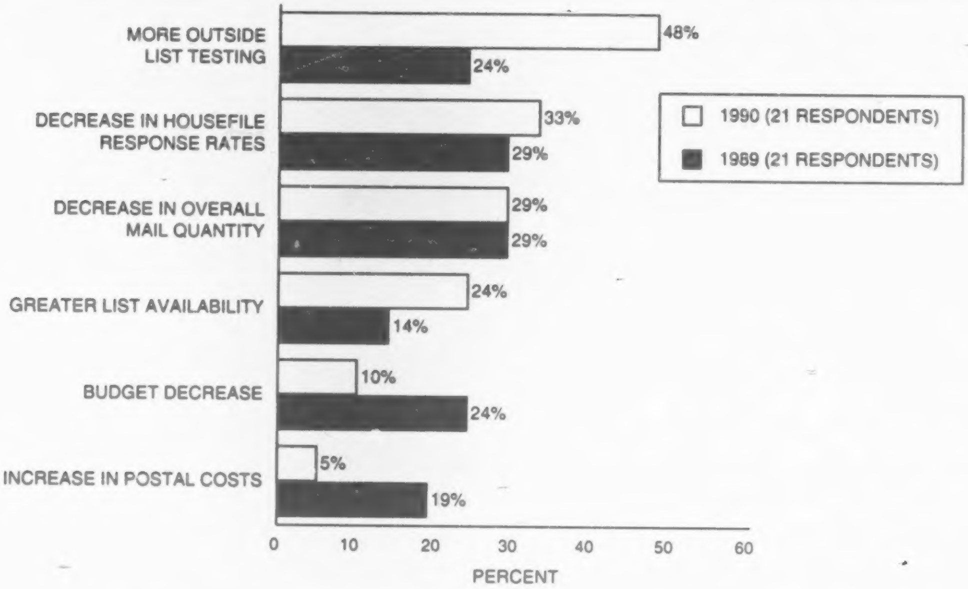
As in 1990, growth of housefile remains the top reason for increased housefile usage. More mailings to housefile names is a close second, with 54%, compared to 48% in 1989.



Source: DMA List Council/Research Department: 10th & 11th Annual List Usage Survey, 1990, 1991.

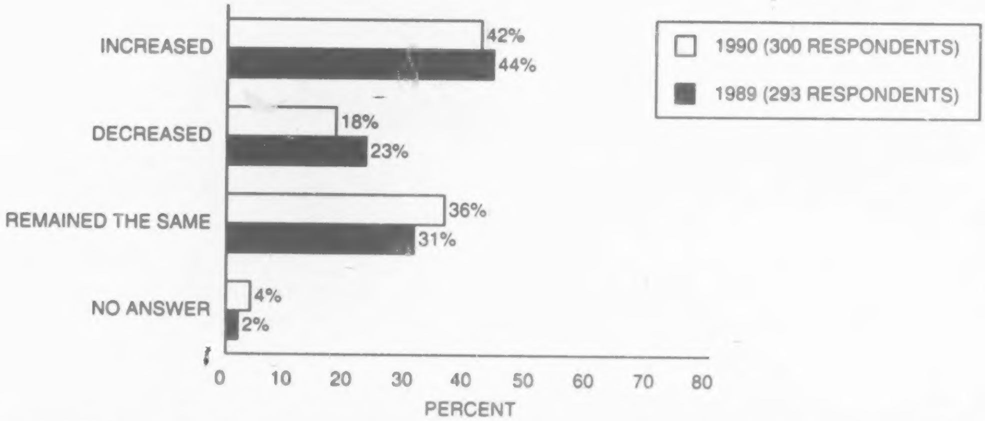
TOP SIX REASONS FOR DECREASED HOUSEFILE USAGE: 1990 vs. 1989

The percentage of respondents citing more outside list testing as a reason for decreased housefile usage has doubled compared with 1989.



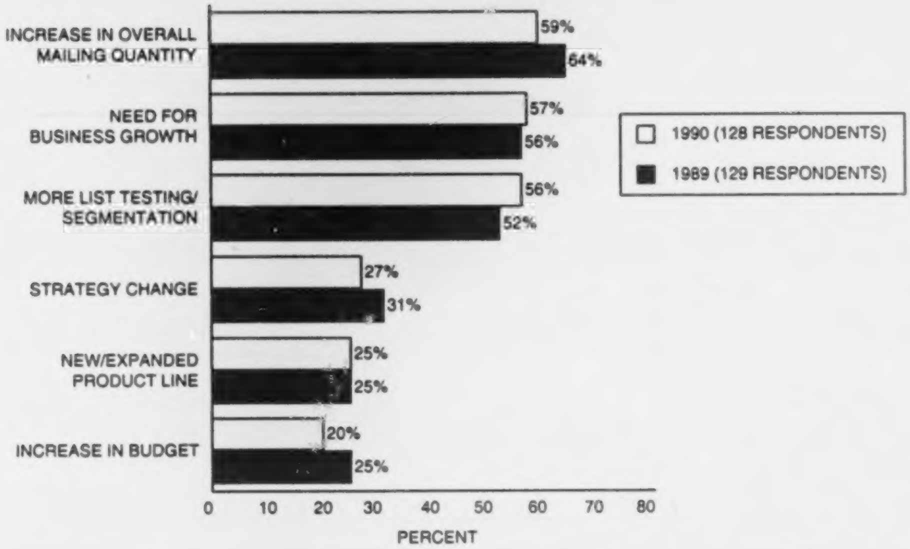
Source: DMA List Council/Research Department: 10th & 11th Annual List Usage Survey, 1990, 1991.

TRENDS IN OUTSIDE NAME USAGE: 1990 vs. 1989



Source: DMA List Council/Research Department: 10th & 11th Annual List Usage Survey, 1990, 1991.

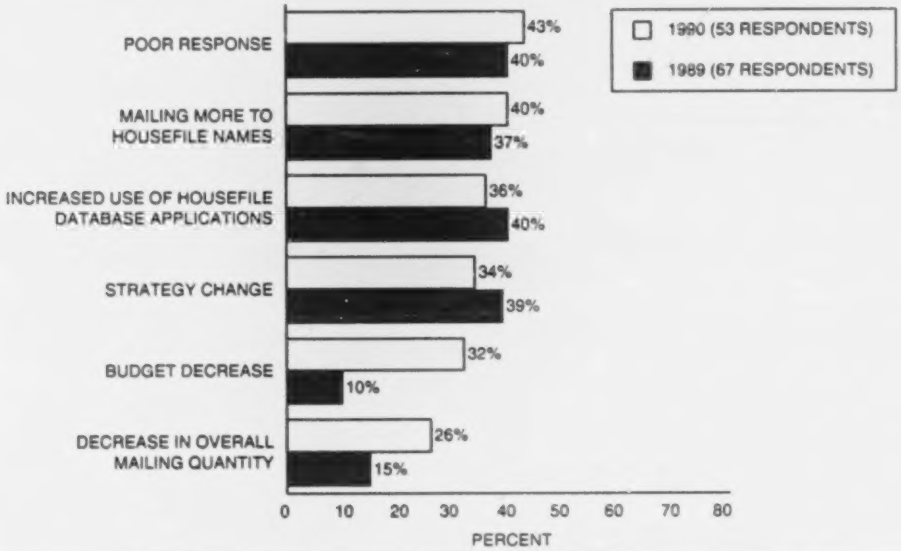
TOP SIX REASONS FOR INCREASES IN OUTSIDE NAME USAGE: 1990 vs. 1989



Source: DMA List Council/Research Department: 10th & 11th Annual List Usage Survey, 1990, 1991.

TOP SIX REASONS FOR DECREASES IN OUTSIDE NAME USAGE: 1990 vs. 1989

Respondents cite poor response as the top reason for decreases in outside name usage. Only 10% indicated a budget decrease in 1989, but 32% note this reason in 1990.

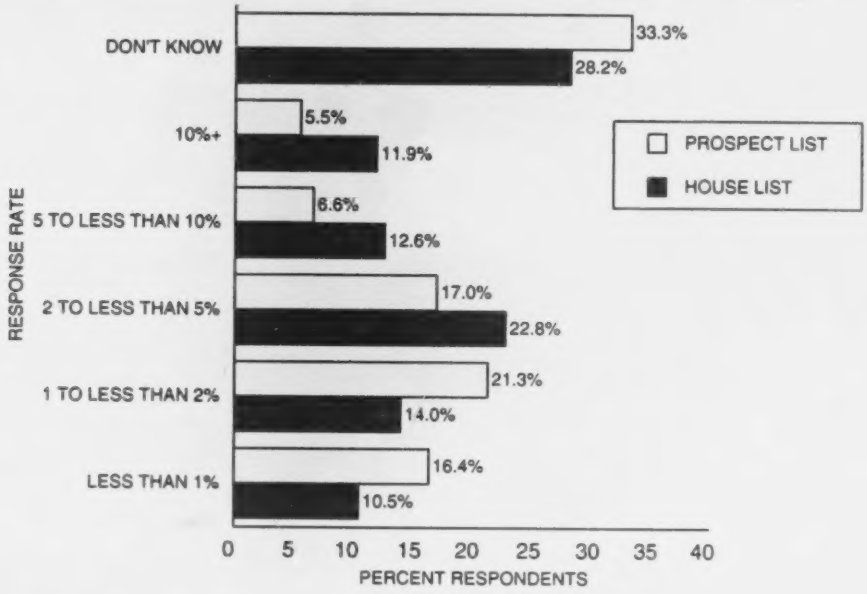


Source: DMA List Council/Research Department: 10th & 11th Annual List Usage Survey, 1990, 1991

MINIMUM EXPECTED RATE OF RESPONSE IN DIRECT MAIL PROMOTION

The Response Graphics Survey of the Direct Mail Production Services Industry was conducted by telephone from December 1988 to February 1989 among 450 companies.

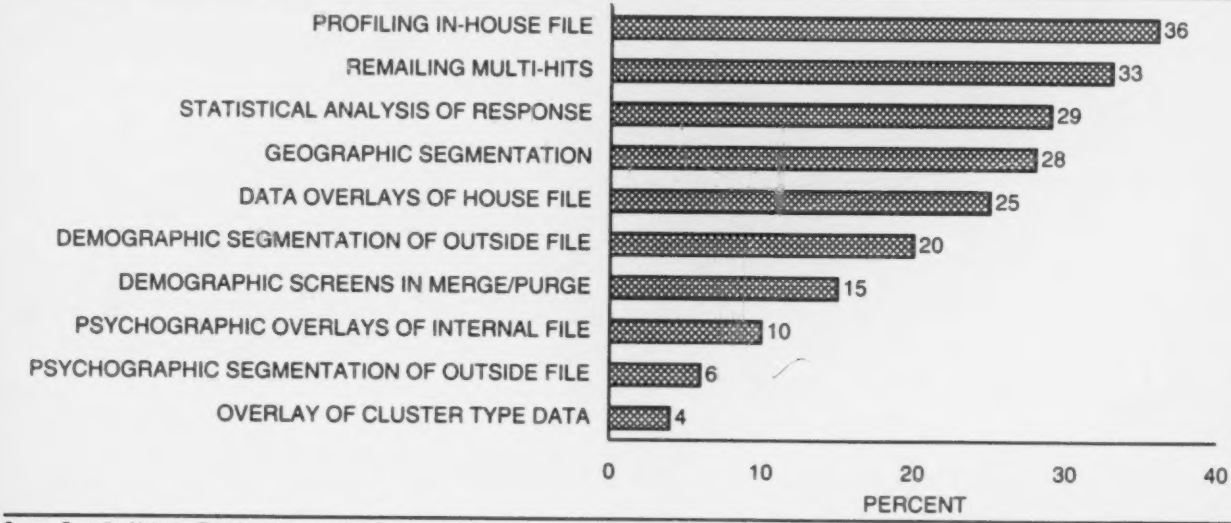
Minimum threshold response rates average about 3.25% for House Lists and 1.85% for Prospect Lists



Source: Marketing Logistics and Response Graphics (Division of Moore), 1989.

RESPONSE IMPROVEMENT TECHNIQUES

Indicate those response improvement techniques you have used and would rate successful.

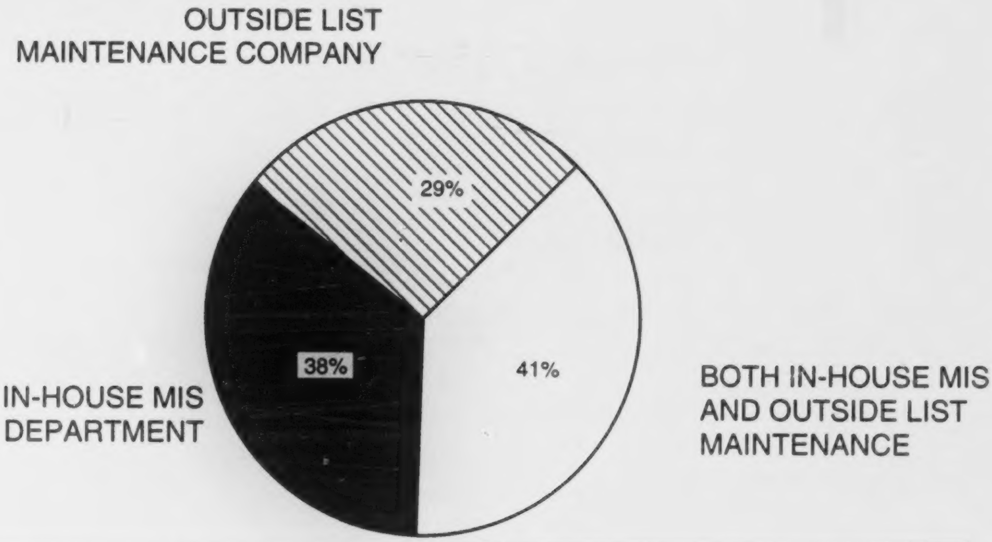


Source: Donnelley Marketing Third Annual Survey of List Practices, 1989.

The New England Mail Order Association conducted this survey in early 1991 among 500 national catalogers drawn from the NEMOA membership. An 11.6% response was achieved.

MAINTENANCE OF CATALOGER'S CUSTOMER LIST

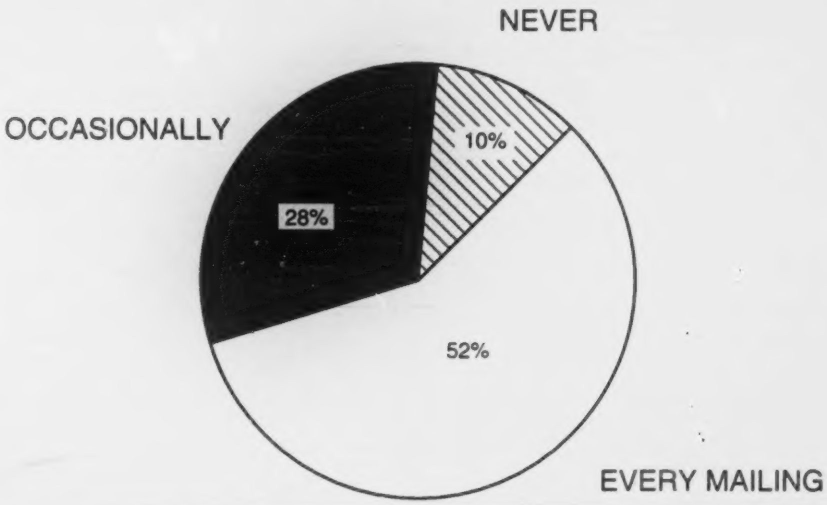
WHO MAINTAINS YOUR CUSTOMER LIST?



Source: New England Mail Order Association, 1991.

USE OF LISTS FROM OUTSIDE BROKERS/COMPANIES

HOW OFTEN DO YOU RENT LISTS FROM OUTSIDE BROKERS/COMPANIES?



Source: New England Mail Order Association, 1991.

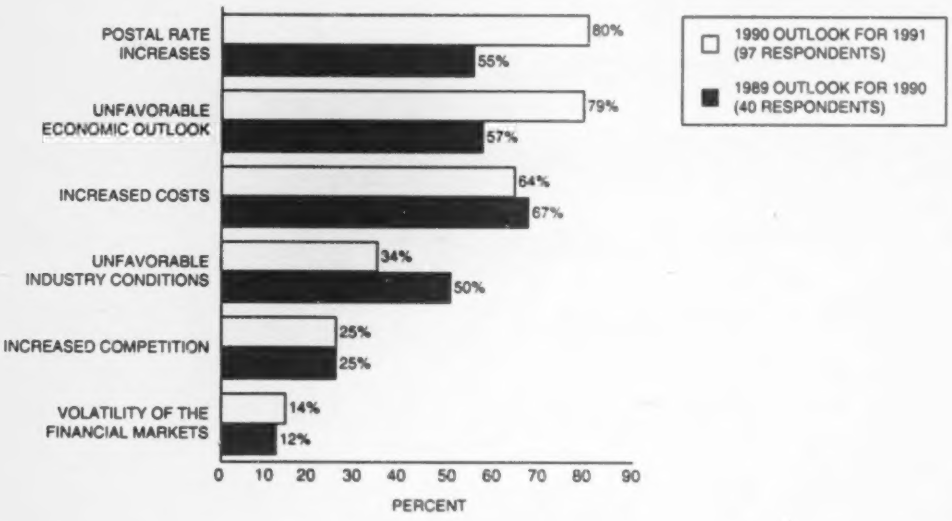
LIST SERVICES/ACTIVITIES: IN-HOUSE VS. SERVICE BUREAU

	ACTIVITY		RESPONSIBILITY		
	Current	Planned	List Broker Service Bureau	In House	Printer
List enhancement/overlays	40%	14%	26%	20%	0
Merge/purge	81%	5%	71%	26%	3%
Address improvement/correction with postal files	78%	12%	69%	22%	9%
Zip code pre-sorting	78%	10%	53%	10%	19%
Pre bar code printing (letter mail)	9%	20%	5%	9%	17%
Ink jet preparation	62%	7%	22%	5%	45%
Label generation	47%	3%	20%	22%	10%
Selective binding	41%	10%	7%	—	36%

Source: New England Mail Order Association, 1991.

TOP SIX REASONS FOR MAILING LIST USERS PREDICTING WORSE BUSINESS CONDITIONS

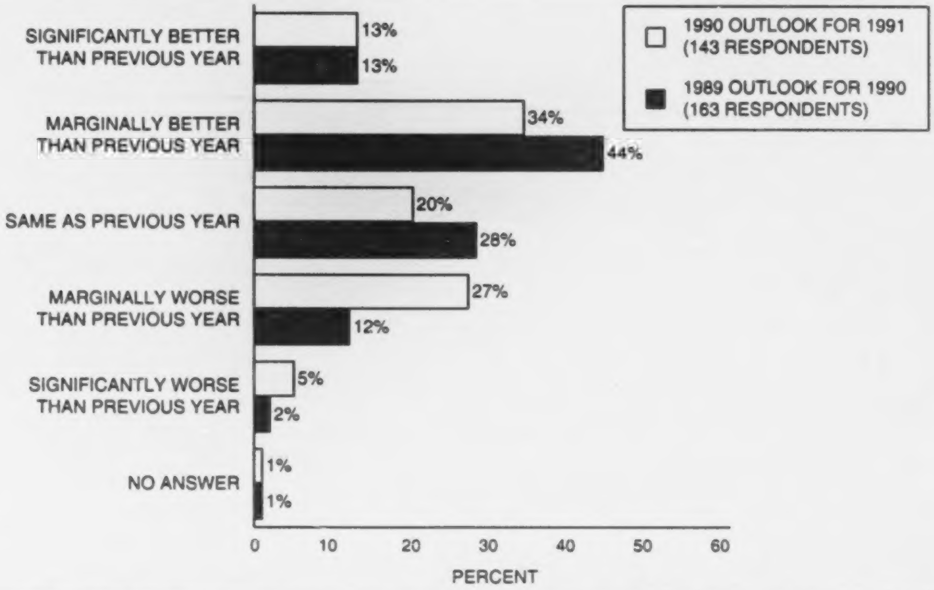
The two top reasons for citing worse business conditions are the postal rate increase and an unfavorable economic outlook, of which a noticeably greater percentage of respondents mention. compared to last year's survey.



Source: DMA List Council/Research Department: 10th & 11th Annual List Usage Survey, 1990, 1991.

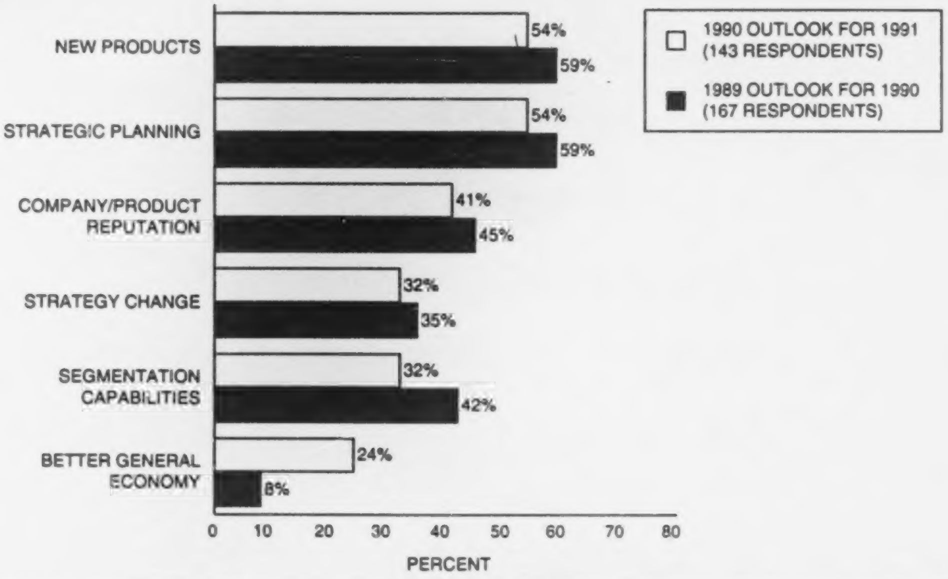
MARKET OUTLOOK FROM A LIST USER'S PERSPECTIVE

Respondents citing a "marginally/significantly" worse outlook for 1991 has increased compared to last year's panel (32% vs. 14%, respectively).



Source: DMA List Council/Research Department: 10th & 11th Annual List Usage Survey, 1990, 1991.

TOP SIX REASONS FOR MAILING LIST USERS PREDICTING BETTER BUSINESS CONDITIONS



Source: DMA List Council/Research Department: 10th & 11th Annual List Usage Survey, 1990, 1991.

MARKETS

- CONSUMER DEMOGRAPHICS
- BUSINESS-TO-BUSINESS
- FINANCIAL SERVICES
- CIRCULATION
- NON-PROFIT
- SPECIALIZED PRODUCTS/SERVICE MARKETS

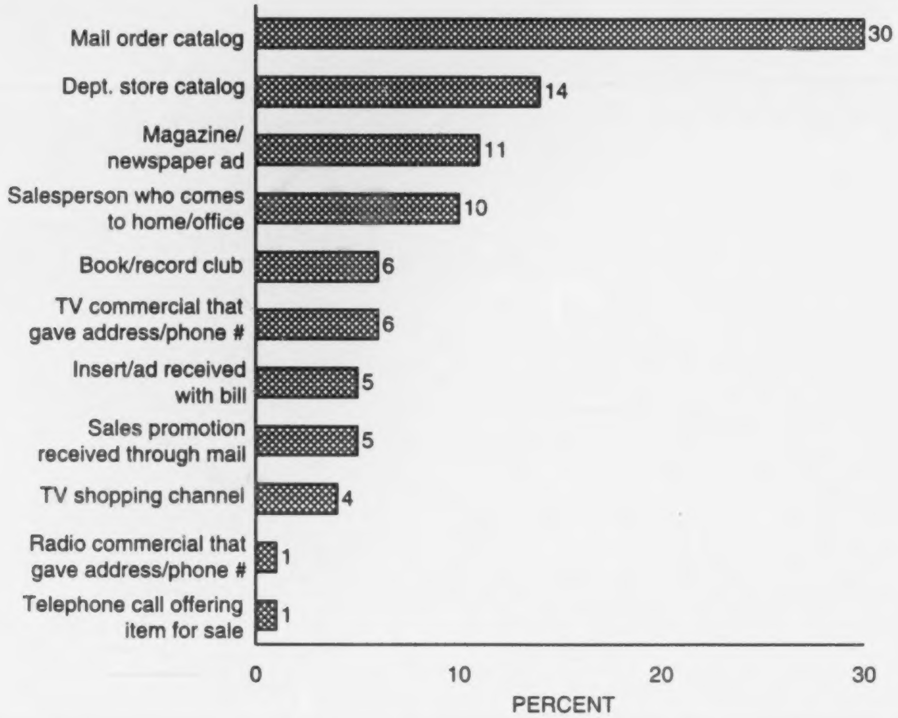
• CONSUMER DEMOGRAPHICS

TRENDS

PROJECTIONS

SOURCE OF PURCHASES FOR 50+ CONSUMER
(BASED ON NON-STORE PURCHASES MADE IN PAST THREE MONTHS)

The Roper Organization did an analysis for *Modern Maturity* Magazine regarding direct marketing buying habits and attitudes of the 50+ consumer. A nationwide cross-section of 1,995 adults aged 18 and older were interviewed face to face. From this sample, Roper filtered out those respondents aged 50 and over for this report.



Source: *Modern Maturity* Magazine/The Roper Organization, 1990.

ANNUAL EXPENDITURES BY AGE: 1988

		AGE						
Expense	Total Population	Less than 25	25—34	35—44	45—54	55—64	65—74	75 & over
Income before taxes	28,540	14,827	28,318	36,428	39,934	29,979	20,704	13,707
Average Annual Expenditures	25,892	16,373	25,770	33,078	33,205	25,765	20,120	13,339
Food	3,748	2,455	3,664	4,636	4,815	3,952	3,013	1,939
Alcoholic Beverages	269	312	355	281	307	239	162	89
Housing	8,079	4,746	8,469	10,467	9,672	7,757	6,178	4,682
Shelter	4,493	3,004	4,942	6,147	5,232	3,929	3,018	2,276
Utilities, fuels, and public services	1,747	897	1,545	2,023	2,173	1,935	1,739	1,393
Household operations and furnishings	1,477	686	1,635	1,885	1,818	1,510	1,039	764
Housekeeping supplies	361	166	347	411	450	383	382	249
Apparel and services	1,489	1,042	1,504	2,015	2,112	1,355	977	451
Transportation	5,093	3,911	5,480	6,370	6,640	4,602	3,975	1,759
Vehicles	2,361	2,039	2,794	2,931	3,016	1,749	1,849	667
Gasoline and motor oil	932	659	923	1,152	1,248	970	729	367
Other transportation expenses	1,800	1,213	1,763	2,287	2,376	1,883	1,397	725
Health care	1,298	523	777	1,253	1,258	1,518	2,005	2,230
Retirement, pensions, social security	1,935	926	2,052	2,756	2,991	2,191	682	119
Other Expenditures	3,982	2,458	3,469	5,299	5,410	4,152	3,129	2,071
Personal Taxes	2,391	1,008	2,390	3,201	3,935	2,653	1,021	822

Source: U.S. Bureau of Labor Statistics, 1991.

TOTAL POPULATION, BY SEX, RACE, AND AGE: 1989
(IN THOUSANDS)

Age	Total	Male	Female	White	Black	Hispanic*
Total	248,762	121,445	127,317	209,326	30,788	20,528
Under 5 years old	18,752	9,598	9,155	15,050	2,890	2,222
5–9 years old	18,212	9,321	8,891	14,628	2,802	1,996
10–14 years old	16,950	8,689	8,260	13,574	2,679	1,877
15–19 years old	17,847	9,123	8,725	14,367	2,767	1,775
20–24 years old	18,886	9,529	9,356	15,490	2,695	1,932
25–29 years old	21,830	10,979	10,851	18,192	2,861	2,193
30–34 years old	22,218	11,151	11,068	18,622	2,767	1,964
35–39 years old	19,676	9,782	9,894	16,664	2,273	1,539
40–44 years old	16,908	8,319	8,589	14,571	1,731	1,186
45–49 years old	13,528	6,608	6,921	11,678	1,396	884
50–54 years old	11,377	5,511	5,866	9,790	1,223	726
55–59 years old	10,726	5,121	5,605	9,310	1,116	622
60–64 years old	10,867	5,079	5,788	9,569	1,035	540
65–69 years old	10,170	4,631	5,538	9,029	916	401
70–74 years old	8,012	3,464	4,549	7,193	661	264
75–79 years old	6,033	2,385	3,648	5,430	486	197
80–84 years old	3,728	1,306	2,422	3,409	256	121
85 years old and over	3,042	850	2,192	2,761	236	91
Median age (years)	32.6	31.5	33.8	33.6	27.7	26.1

*Persons of Hispanic origin may be of any race.

Source: U.S. Bureau of the Census, 1991.

RATIO OF MALES TO FEMALES BY AGE GROUP

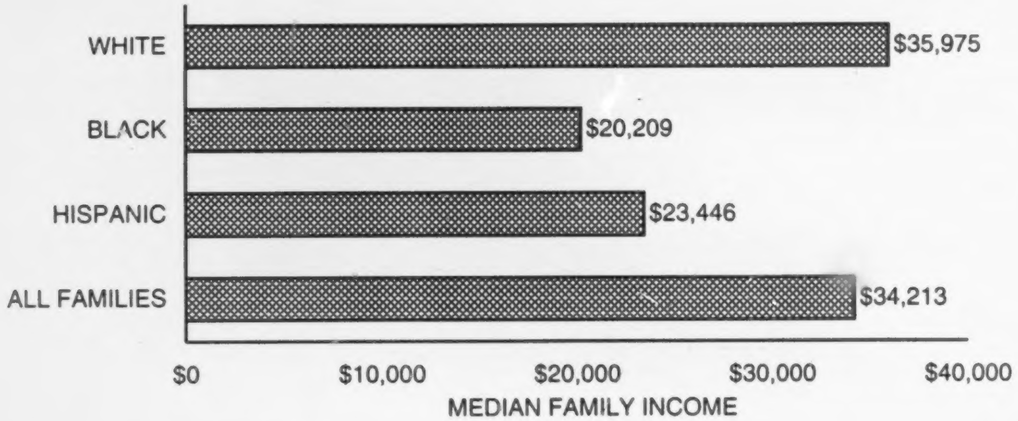
NUMBER OF MALES PER 100 FEMALES

Age	1950	1970	1980	1989				
				Total	White	Black	Other Races	Hispanic*
All Ages	98.6	94.8	94.5	95.1	95.8	90.3	95.7	101.3
Under 14	103.7	103.9	104.6	104.9	105.3	103.3	102.7	104.0
14–24 years	98.2	98.7	101.9	102.5	103.1	98.2	107.6	105.7
25–44 years	96.4	95.5	97.4	99.0	101.0	87.0	94.0	106.8
45–64 years	100.1	91.6	90.7	92.3	93.8	81.8	85.8	90.3
65 years and over	89.6	72.1	67.6	68.9	68.9	67.0	76.7	71.4

*Persons of Hispanic origin may be of any race.

Source: U.S. Bureau of the Census, 1991.

1989 MEDIAN FAMILY INCOME BY RACE



Source: U.S. Bureau of the Census, 1991.

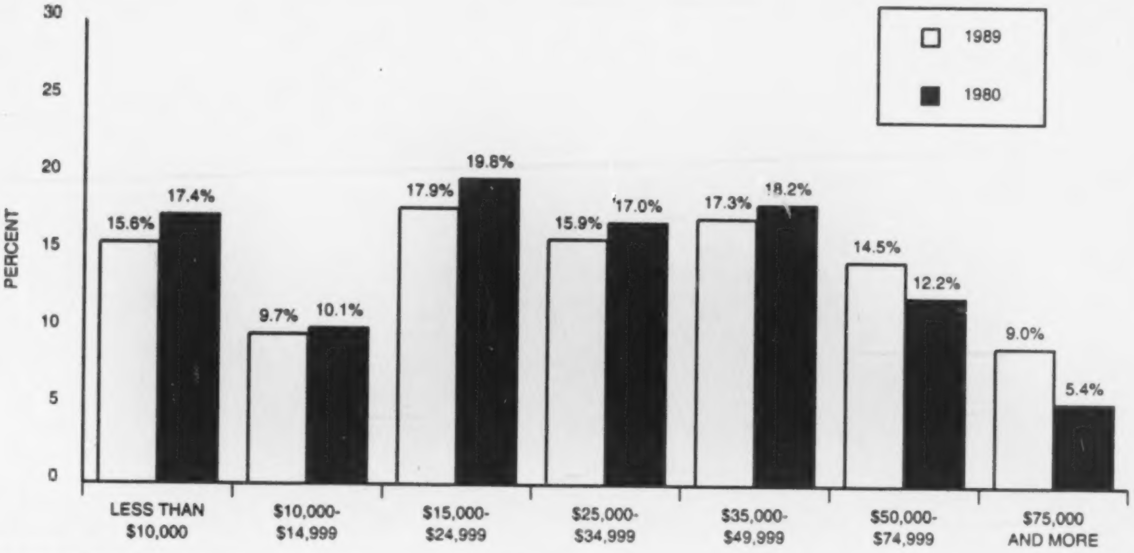
DISPOSABLE PERSONAL INCOME PER CAPITA BY REGION

Region	Disposable Income Per Capita*			
	1980	1985	1988	1989
New England	8,936	13,515	17,233	18,185
Middle Atlantic	8,974	12,990	16,067	17,093
East North Central	8,544	11,740	13,825	14,652
West North Central	8,076	11,398	13,008	13,866
South Atlantic	7,782	11,284	13,687	14,492
East South Central	6,692	9,175	11,165	11,822
West South Central	7,920	10,892	12,123	12,839
Mountain	8,096	10,962	12,623	13,418
Pacific	9,656	13,337	15,559	16,362
U.S. Total	8,424	11,863	14,111	14,948

*Disposable income—that which is available after taxes.

Source: U.S. Bureau of Economic Analysis, 1990.

DISTRIBUTION OF HOUSEHOLDS BY INCOME LEVEL: 1980 vs. 1989



Source: U.S. Bureau of the Census, 1991.

SHOPPING HABITS OF WORKING vs. NON-WORKING WOMEN

CATEGORY	NON-WORKING WOMEN	WORKING WOMEN	INDEX
Use coupons	46.2%	40.4%	87
Shop convenience stores	12.1%	14.0%	116
Shop by catalog/direct mail	9.5%	12.1%	127
Buy from TV shopping shows	1.6%	2.0%	125
PLANNING TO BUY			
Vacation/travel	19.3%	25.1%	130
Car/truck	9.5%	15.9%	167
Furniture	8.9%	15.8%	178
Home appliances	6.2%	9.7%	156
Jewelry/watch	5.0%	8.9%	178
TV/VCR	4.6%	8.1%	176
House/land	3.2%	6.6%	206
Stereo equipment	2.4%	4.8%	200
Computer	1.7%	3.2%	188
RV/Boat	0.9%	1.4%	156
Other major purchases	1.8%	2.2%	122

Source: Research Alert/Deloitte & Touche, Impact Resources, 1990.

DIRECT MAIL RESPONSE BY DEMOGRAPHICS

GROUP	INDEX
Men	91
Women	108
Marital Status	
Married	115
Living together, not married	100
Divorced or separated	94
Widowed	73
Single, never married	86
Age	
14 thru 17	76
18 thru 24	78
25 thru 34	112
35 thru 44	128
45 thru 54	118
55 thru 64	94
65 and over	66
Education	
Grade 8 or less	72
Grades 9 to 11	72
Graduated high school	86
1 to 3 years of college	104
College graduate	115
Grad study	146

Source: Research Alert/Impact Resources, 1990.

COMPARATIVE MARKET DEMOGRAPHICS—1989

The aggregate before tax total income for Hispanics rose from $160 billion in 1988 to $166 billion in 1989. In addition, the number of Hispanic households increased slightly, from 5.91 million to 5.93 million.

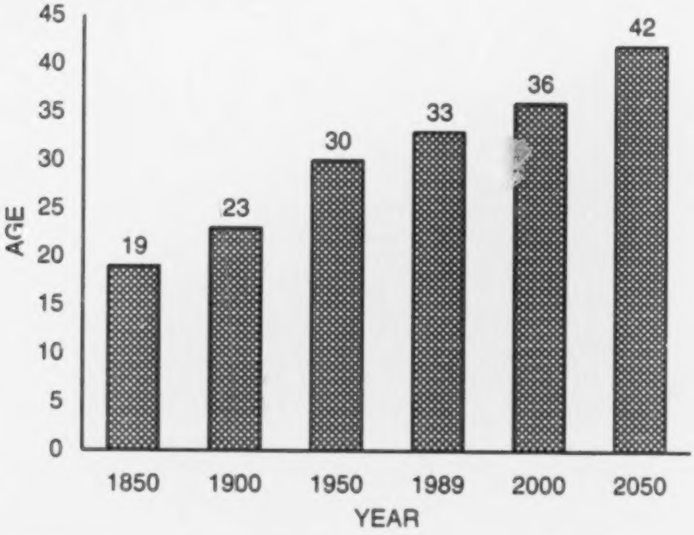
Household money income	Hispanic	African-American	Mainstream
Aggregate total:	$166 billion	$252 billion	$3,049 billion
Median Income:	$21,921	$18,083	$30,406
Mean Income:	$27,992	$23,995	$38,041

	Hispanic	African-American	Mainstream
By Residence			
Metropolitan	92%	84%	76%
(Central City)	(54%)	(58%)	(28%)
(Suburbs)	(38%)	(26%)	(48%)
Nonmetro Areas	8%	16%	24%
By Region			
Northeast	17%	18%	21%
Midwest	7%	20%	25%
South	33%	54%	33%
West	43%	8%	21%
By Household			
Married-couple families	70%	50%	83%
(Working wife)	(36%)	(32%)	(47%)
(Non-working wife)	(34%)	(18%)	(36%)
Single & one-parent families	30%	50%	17%
(Male no wife)	(7%)	(6%)	(4%)
(Female no husband)	(23%)	(44%)	(13%)
By Tenure			
Owner/Householder	41%	42%	67%
Renter/Householder	57%	56%	30%
Subsidy/Householder	2%	2%	3%

	Hispanic	African-American	Mainstream
By Size of Household			
1 person	14%	25%	25%
2 persons	22%	26%	33%
3 persons	19%	19%	17%
4 persons	20%	15%	16%
5 persons	13%	8%	6%
6 persons	6%	4%	2%
7 or more	6%	3%	1%
By Number of Earners			
1 earner	35%	39%	32%
2 earners	34%	28%	36%
3 earners	10%	7%	8%
4 or more	6%	2%	3%
No earners*	15%	24%	21%
*(Retired, unemployed, etc.)			
By Age of Householder			
15–24	9%	7%	5%
25–34	29%	25%	21%
35–44	24%	23%	22%
45–54	16%	15%	15%
55–64	11%	13%	14%
65 and older	11%	17%	23%

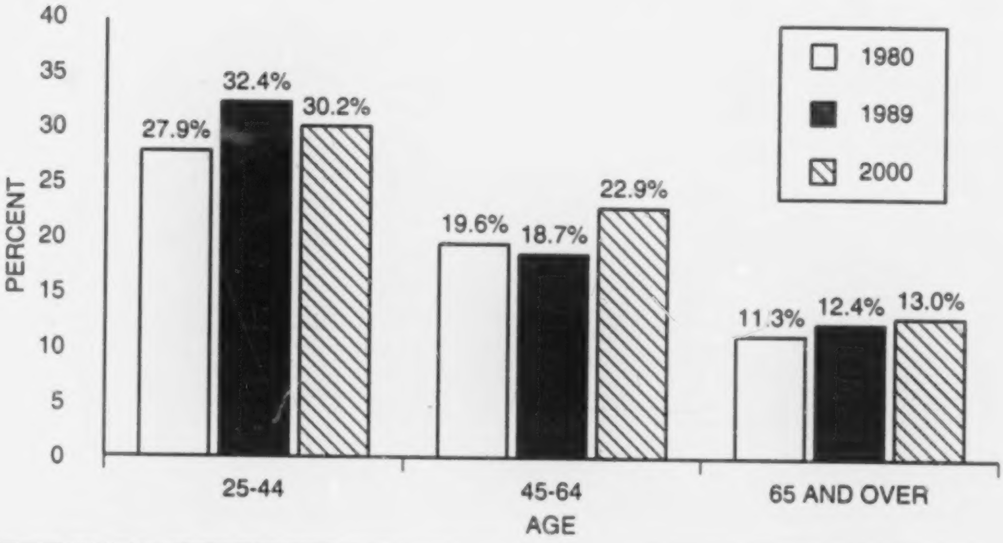
Source: *Hispanic Business* Magazine/U.S. Census Bureau, 1990.

MEDIAN AGE OF THE U.S. POPULATION



Source: U.S. Bureau of the Census, 1991

AGE GROUP AS PERCENTAGE OF TOTAL POPULATION



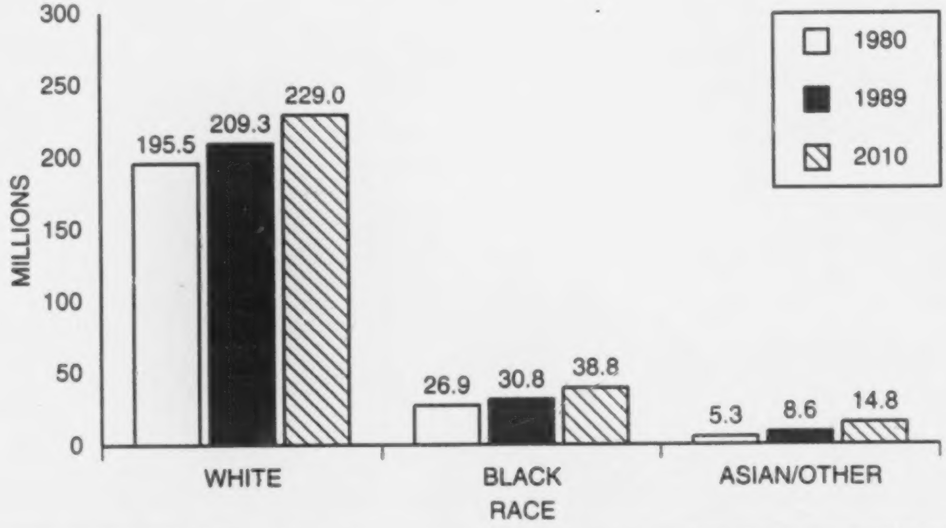
Source: U.S. Bureau of the Census, 1991.

POPULATION BY REGION

Region	1980	1990	2000	2010
			Population (in millions)	
Northeast	49.1	50.8	51.8	52.5
Midwest	58.9	59.7	59.6	59.0
South	75.4	85.4	96.9	104.9
West	43.2	52.8	59.4	65.6
Total U.S.	226.5	248.7	267.7	282.0

Source: U.S. Bureau of the Census, 1991.

POPULATION BY RACE
(IN MILLIONS)



Source: U.S. Bureau of the Census, 1991.

PERSONS 65 YEARS AND OLDER: 1960, 1980, 1989 AND 2000

Age	1960	1980	1989	2000 (Projection)
65 years and older (population in millions)	16.7	25.7	30.9	34.9
65 years and older (% of the population)	9.2%	11.3%	12.5%	13.0%
Between 65 and 74 (% of the population)	6.1%	6.9%	7.3%	6.8%
75 and older (% of the population)	3.1%	4.4%	5.2%	6.2%

Source: U.S. Bureau of the Census, 1991.

EUROPEAN MARKET SEGMENTS: 1995

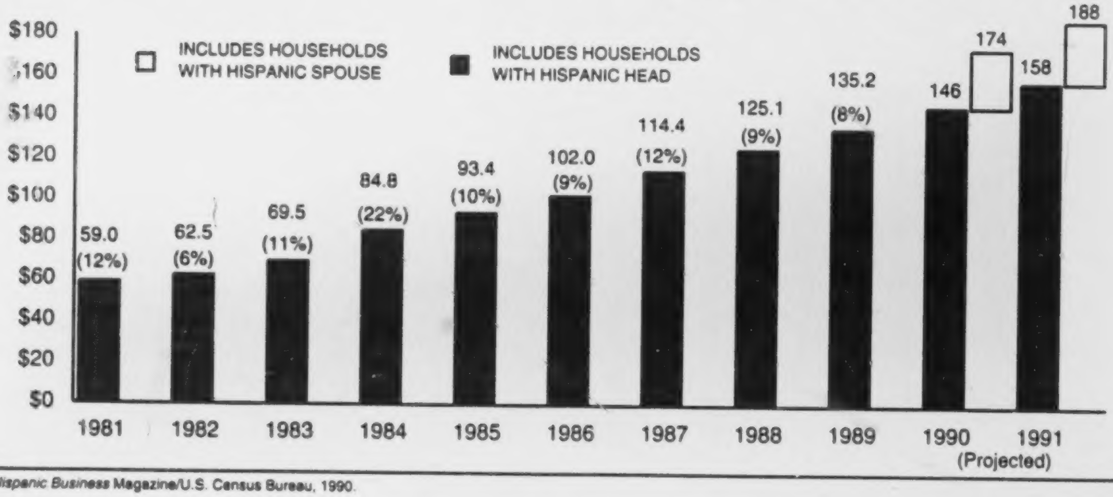
(IN '000s)

Region	Children & Youth Ages 0–14	College Age 15–24	Baby Boomers 25–44	The Middle Ages 45–54	Empty Nesters 55–64	Matures 65+	Total
Albania	1,069	657	1,064	295	227	209	3,521
Austria	1,322	931	2,379	997	796	1,175	7,600
Belgium	1,731	1,235	2,993	1,250	1,082	1,553	9,844
Bulgaria	1,689	1,312	2,453	1,196	1,078	1,310	9,038
Czechoslovakia	3,332	2,598	4,545	2,031	1,472	1,897	15,875
Denmark	844	690	1,549	761	518	797	5,159
Finland	928	636	1,520	739	507	701	5,031
France	11,339	7,877	16,868	7,035	5,671	8,345	57,135
Germany	12,674	8,375	24,425	9,862	10,006	11,988	77,330
Greece	1,845	1,422	2,821	1,210	1,286	1,571	10,155
Hungary	1,870	1,628	2,982	1,393	1,135	1,500	10,508
Ireland	1,015	698	1,120	393	285	390	3,901
Italy	8,874	8,103	17,119	7,332	6,790	8,898	57,116
Luxembourg	66	44	120	50	43	53	376
Netherlands	2,825	2,013	4,996	2,085	1,461	2,031	15,411
Norway	786	598	1,273	544	372	698	4,271
Poland	9,249	6,051	11,702	4,359	3,719	4,284	39,364
Portugal	2,054	1,656	3,077	1,145	1,072	1,427	10,431
Romania	5,184	3,859	6,800	2,590	2,666	2,716	23,815
Spain	7,380	6,274	11,954	4,589	4,053	5,665	39,915
Sweden	1,512	1,054	2,336	1,248	852	1,508	8,510
Switzerland	1,103	784	2,052	968	733	1,041	6,681
United Kingdom	11,343	7,315	17,170	7,397	5,771	8,867	57,863
USSR	74,222	44,436	88,849	27,395	31,147	32,566	298,615
Yugoslavia	5,132	3,675	7,331	2,788	2,746	2,718	24,390
Total	169,388	113,921	239,498	89,652	85,488	103,908	801,855
% of Total	21%	15%	29%	12%	11%	12%	100%
USA	54,550	34,647	83,182	31,074	21,168	33,274	257,895

NOTE: all groups to not include equal numbers of years

Source: Market Europe, W-Two Pubs., Ltd., 1991.

HISPANIC PURCHASING POWER IN $ BILLIONS, AND PERCENT GROWTH



Source: *Hispanic Business Magazine*/U.S. Census Bureau, 1990.

• BUSINESS-TO-BUSINESS

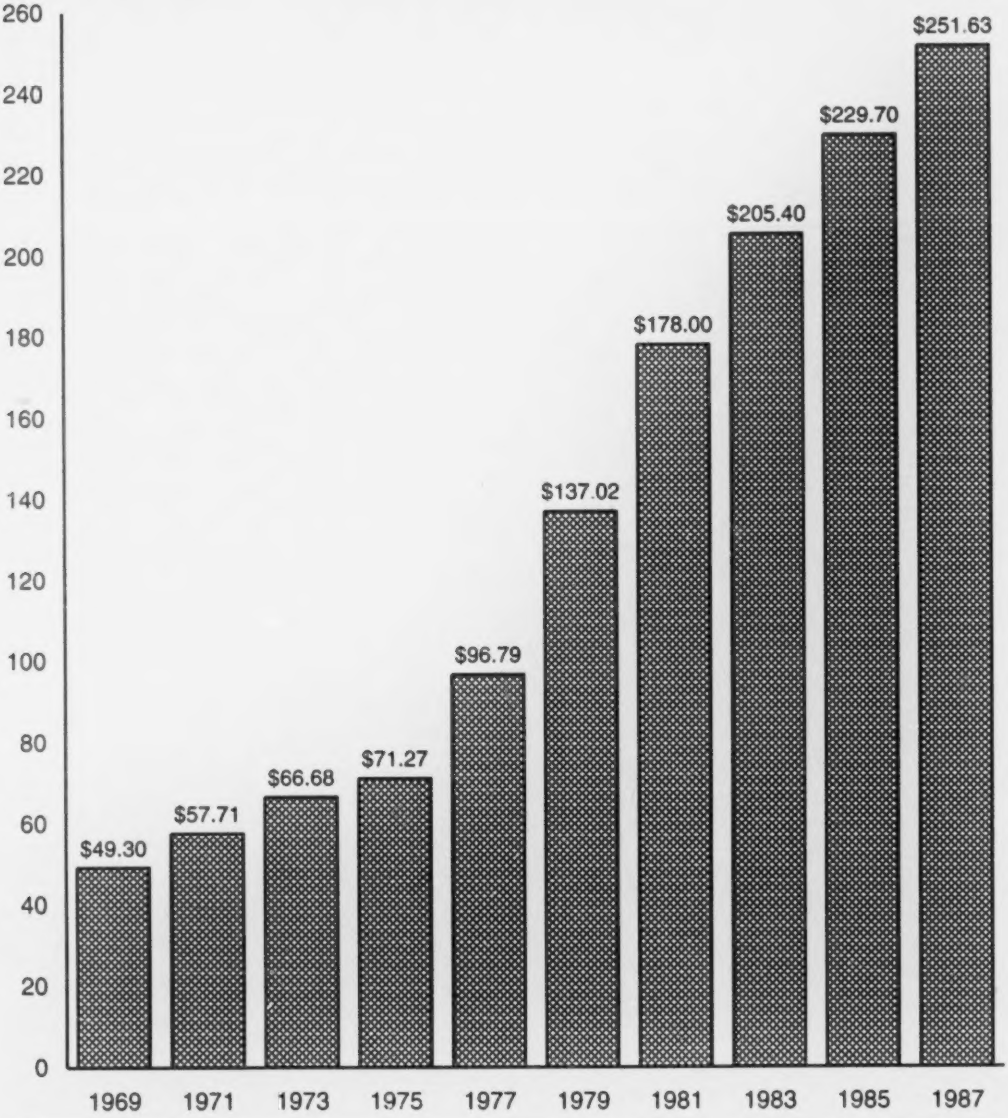
COSTS

TRENDS

COST OF AN INDUSTRIAL SALES CALL (1969—1987)

The McGraw-Hill Research "1987 Cost of a Business-to-Business Sales Call" Survey was conducted by mail questionnaire and telephone interviews in 1988 among 1,531 vice presidents of sales and sales managers in business-to-business companies from the Business Marketing subscriber list. A 55% response rate was achieved.

Note: This research study was discontinued in 1988. Fact Book users may wish to extrapolate this data to subsequent years based on average percent change increases.

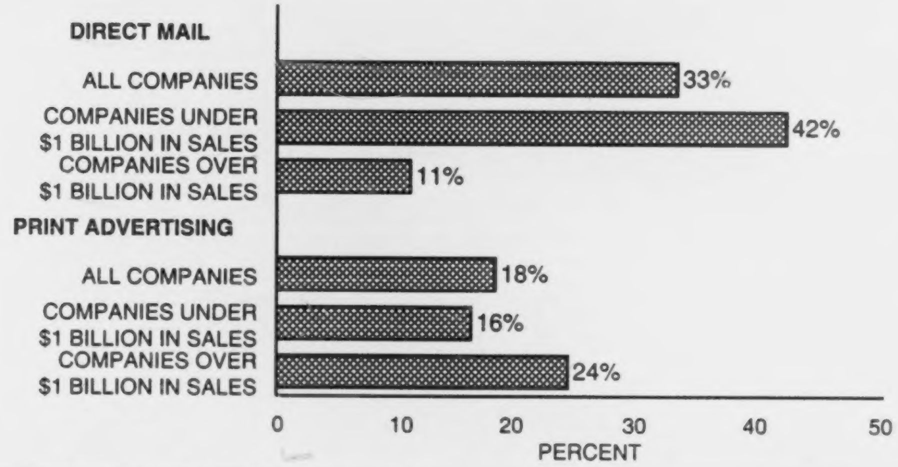


Source: McGraw-Hill Research, 1988.

The 1990 Frankel Study on Business-to-Business Marketing Communications and Direct Mail, Direct Marketing Attitudes and Practices was sponsored by Frankel and Company in order to assess marketing communications practices (especially direct mail and direct marketing activities) among business-to-business marketing companies. The findings were generated from a study conducted with 100 marketing executives from companies whose principal activity is business-to-business sales.

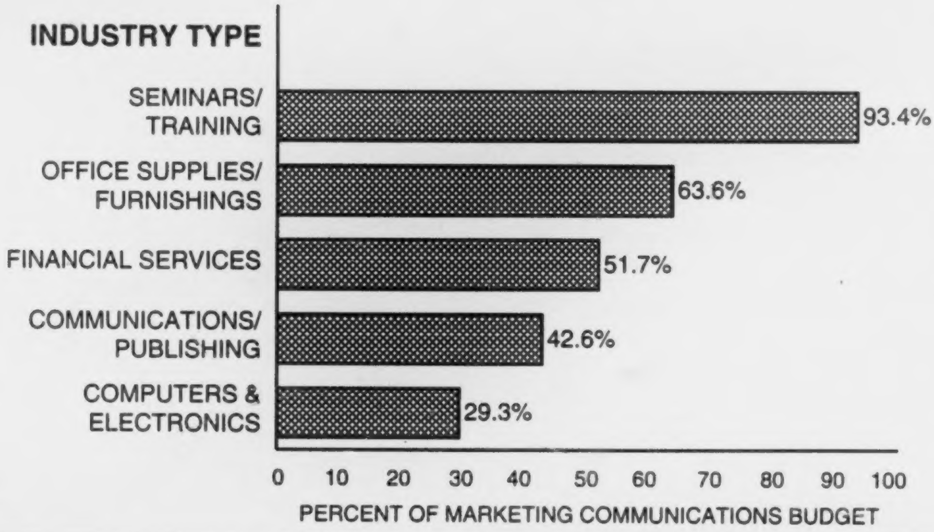
The 100 companies represented in this study are among the leading business-to-business companies in the United States. The interviewing for this study was conducted by telephone, under the direction of *Market Facts, Inc.*, in late January and early February, 1990.

PERCENT OF MARKETING COMMUNICATIONS BUDGET: 1989



Source: 1990 Frankel Study on Business-to-Business Marketing Communications and Direct Mail, Direct Marketing Attitudes and Practices, April 1990.

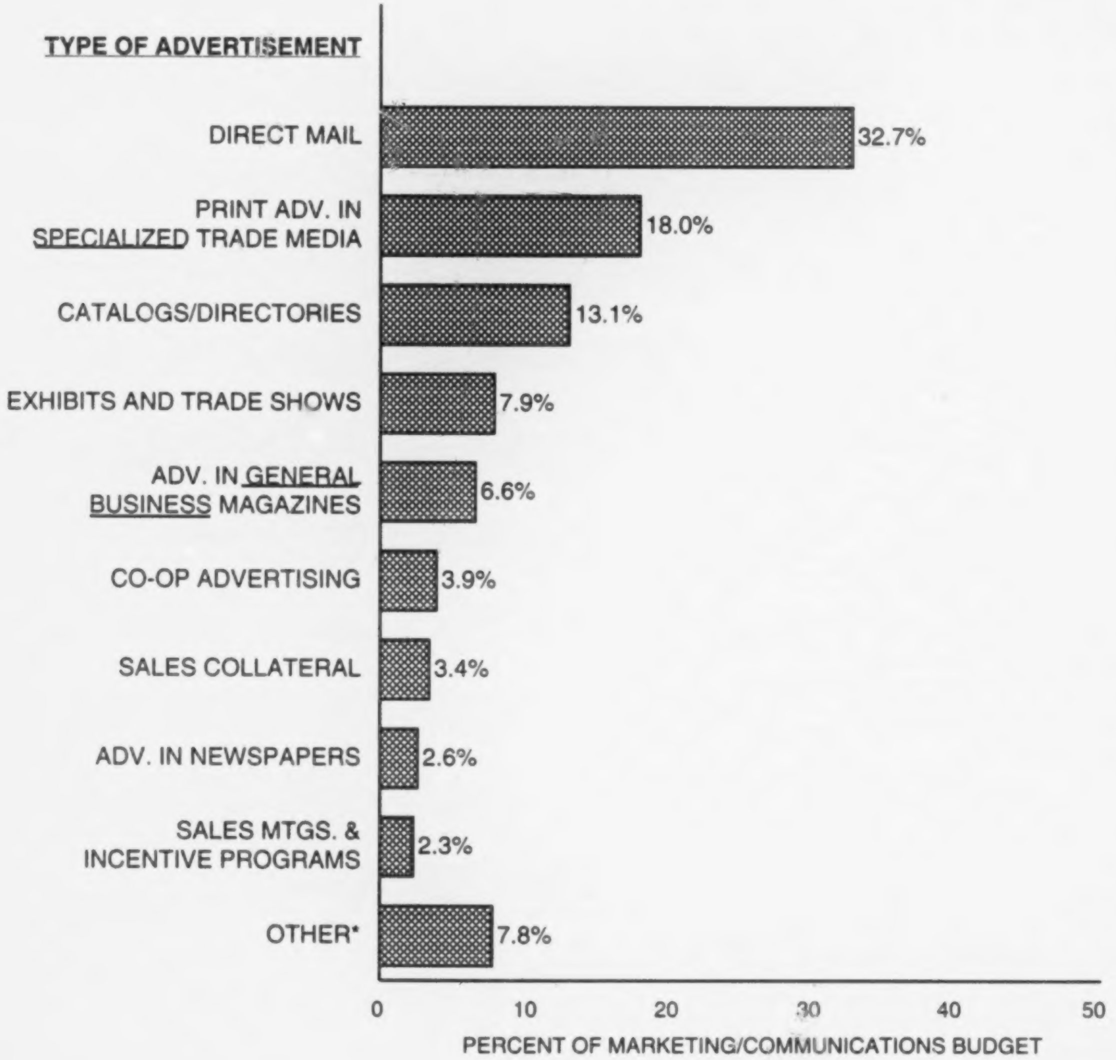
1989 PERCENT OF MARKETING COMMUNICATIONS BUDGET FOR DIRECT MAIL PER INDUSTRY TYPE



Source: 1990 Frankel Study on Business-to-Business Marketing Communications and Direct Mail, Direct Marketing Attitudes and Practices, April 1990.

1989 BUSINESS-TO-BUSINESS MARKETING COMMUNICATIONS BUDGETS BY PERCENT PER TYPE OF ADVERTISING

Direct Mail represents the largest percentage of business-to-business marketing budgets (32.7%) followed by print advertising in specialized trade media (18.0%) and catalogs and directories (13.1%).



*Other includes: Public Relations & Publicity, Radio, Television & Cable TV Advertising, Dealer & Distributor Support and Business-Oriented Sales Promotion.

Source: 1990 Frankel Study on Business-to-Business Marketing Communications and Direct Mail, Direct Marketing Attitudes and Practices, April 1990.

1990 BUSINESS-TO-BUSINESS SALARIES

Crandall Associates, Inc. have determined the salaries by the following process: 1) Discussion with employers, from presidents to personnel officers throughout the country, in companies varying in geographic areas, number of employees, and sales volume; 2) Personal interviews and discussions with the professionals in Direct Marketing at all salary levels, working from coast to coast; 3) Search assignments that were received, nationally, enabling Crandall Associates, Inc. to confirm salary levels that prove to be effective in recruiting candidates from each experience range, and serve as a double check on the figures.

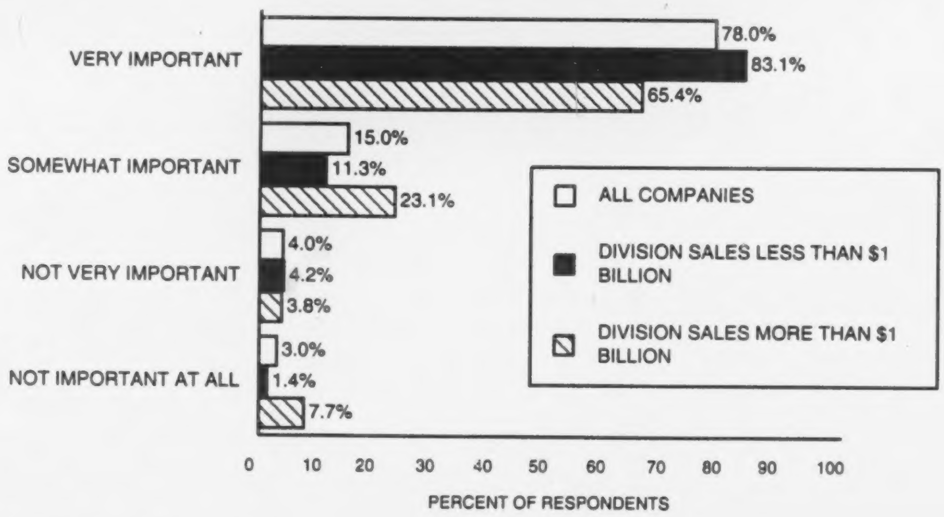
Position Title and Description	Years Exp.	Base Salary Range (excluding benefits)		Leading Firms
MARKETING/Business Product Manager: Sells products or services to defined and targeted commercial markets, generally with catalogs.	1—3	$23,700	$28,200	$33,200
	4—7	$30,100	$36,200	$40,100
	7 +	$38,500	$43,000	$45,600
MARKETING DIRECTOR/Industrial or Business: Identifies, develops and targets specialized audiences with products needed in business.	1—3	$39,600	$44,300	$51,200
	4—7	$49,100	$53,900	$59,900
	7 +	$57,200	$62,200	$71,300

Source: Crandall Associates, Inc., 1990.

The 1990 Frankel Study on Business-to-Business Marketing Communications and Direct Mail, Direct Marketing Attitudes and Practices was sponsored by Frankel and Company in order to assess marketing communications practices (especially direct mail and direct marketing activities) among business-to-business marketing companies. The findings were generated from a study conducted with 100 marketing executives from companies whose principal activity is business-to-business sales.

The 100 companies represented in this study are among the leading business-to-business companies in the United States. The interviewing for this study was conducted by telephone, under the direction of *Market Facts, Inc.*, in late January and early February, 1990.

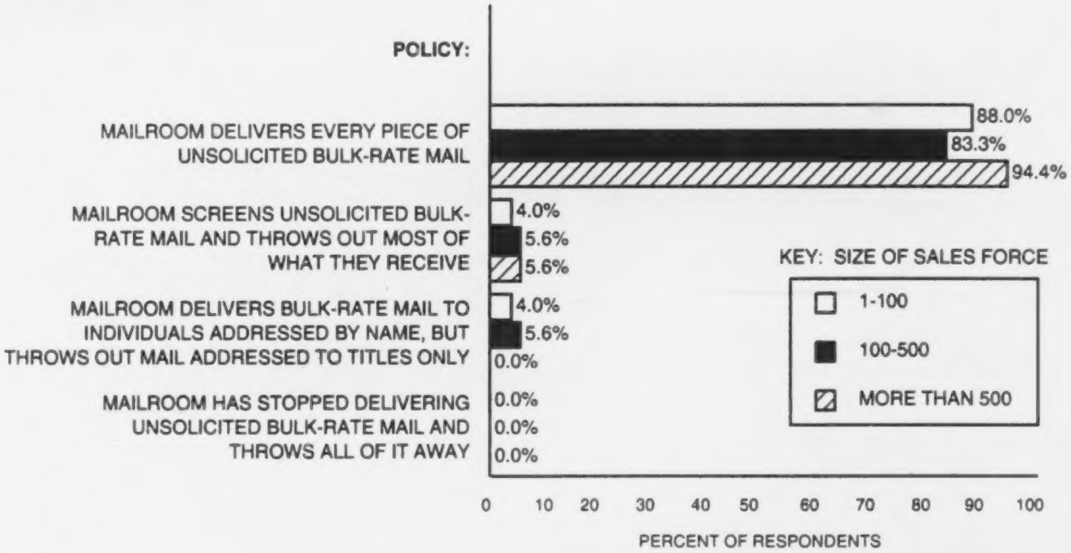
IMPORTANCE OF DIRECT MARKETING AS A BUSINESS-TO-BUSINESS MARKETING TOOL



Source: 1990 Frankel Study on Business-to-Business Marketing Communications and Direct Mail, Direct Marketing Attitudes and Practices, April 1990.

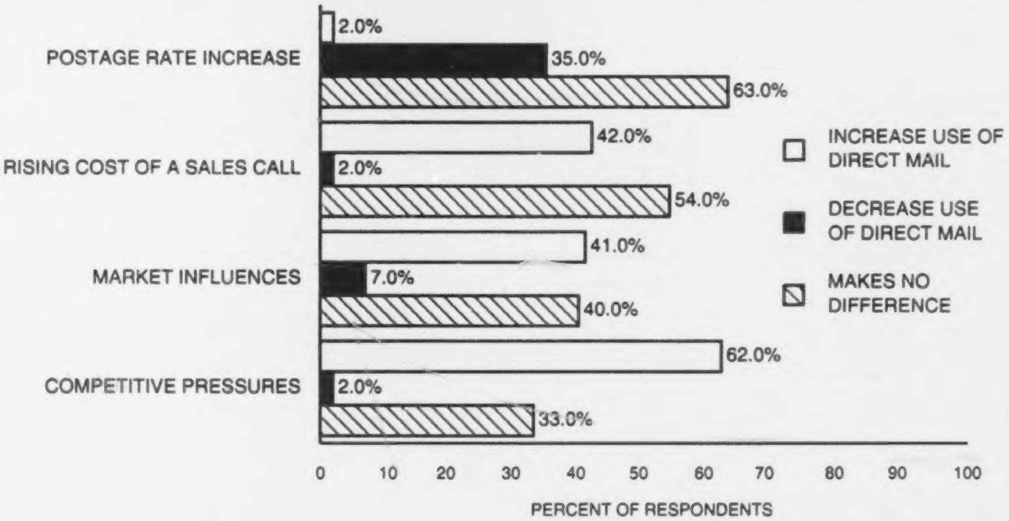
POLICIES ON DISTRIBUTION OF UNSOLICITED BULK-RATE THIRD-CLASS MAIL THROUGH MAILROOMS

BY SIZE OF COMPANY SALES FORCE



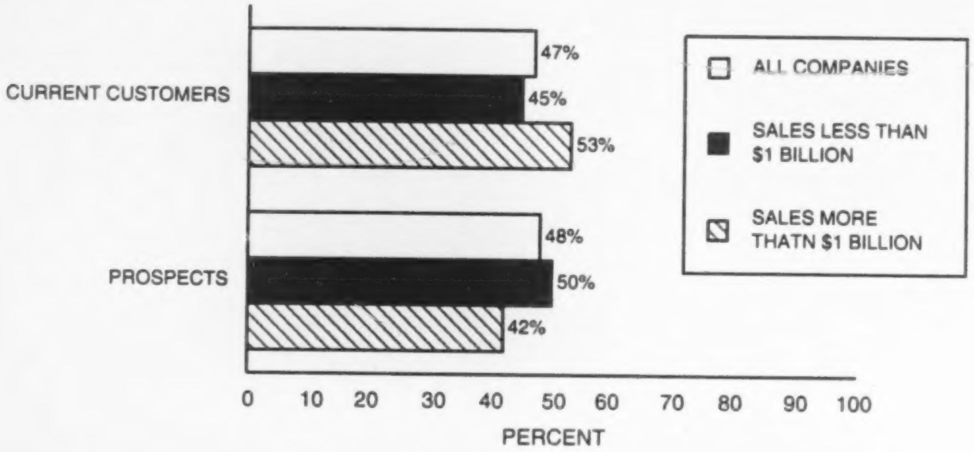
Source: 1990 Frankel Study on Business-to-Business Marketing Communications and Direct Mail, Direct Marketing Attitudes and Practices, April 1990.

FACTORS AFFECTING THE USE OF BUSINESS-TO-BUSINESS MAIL



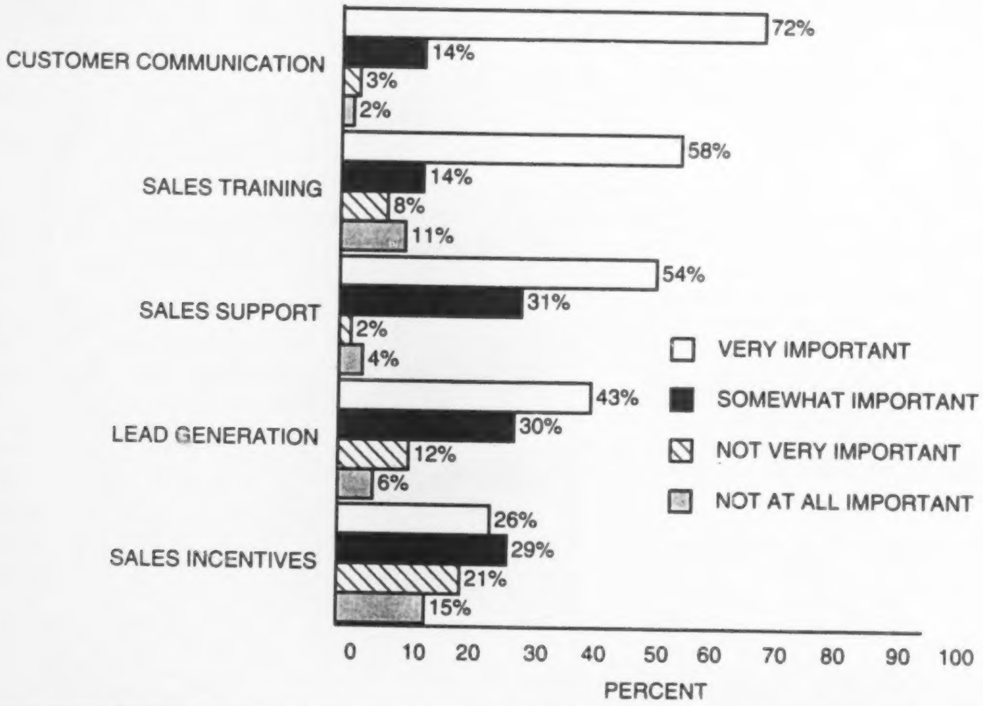
Source: 1990 Frankel Study on Business-to-Business Marketing Communications and Direct Mail, Direct Marketing Attitudes and Practices, April 1990.

PROPORTION OF DIRECT MAIL DIRECTED TO CURRENT CUSTOMERS AND PROSPECTS



Source: 1990 Frankel Study on Business-to-Business Marketing Communications and Direct Mail, Direct Marketing Attitudes and Practices, April 1990.

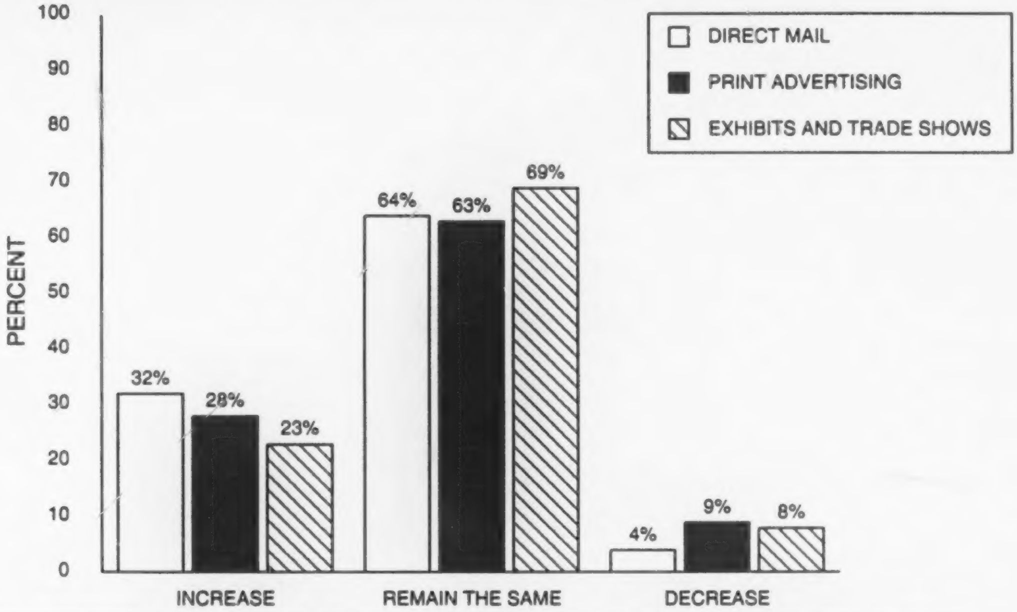
IMPORTANCE OF DIRECT MARKETING ACTIVITIES IN SUPPORTING SALESFORCE



Source: 1990 Frankel Study on Business-to-Business Marketing Communications and Direct Mail, Direct Marketing Attitudes and Practices, April 1990.

ADVERTISING BUDGET EXPECTATIONS FOR 1990 VS. 1989

TOP THREE BUSINESS-TO-BUSINESS MARKETING ACTIVITIES FORECASTED FOR GROWTH

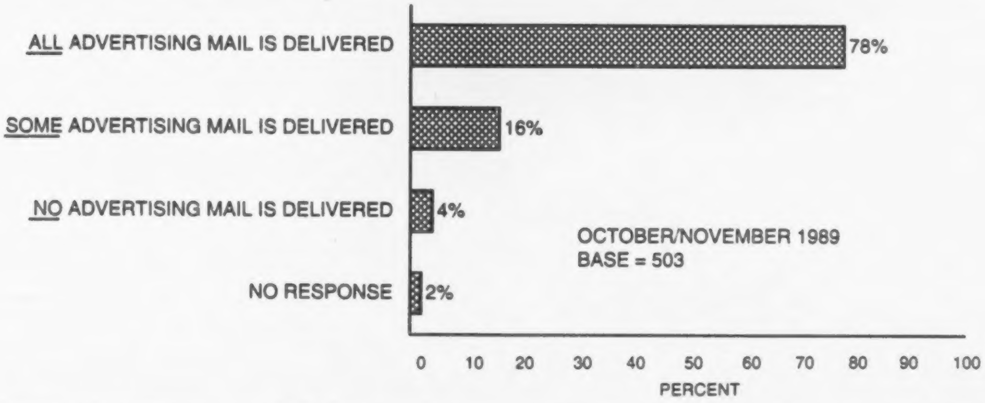


Source: 1990 Frankel Study on Business-to-Business Marketing Communications and Direct Mail, Direct Marketing Attitudes and Practices, April 1990.

This survey, last conducted in October and November 1989 by Opinion Research Corporation, consisted of telephone interviews with 503 top and middle management executives drawn from a sample of 1,000 of the largest commercial operations in the country. The purpose of the survey was: 1) to determine attitudes towards the USPS as well as several other major communications carriers; 2) to determine usage levels for various types of communications services; and 3) to obtain opinions about the issues related to advertising mail and magazine delivery.

COMPANY POLICY CONCERNING DELIVERY OF ADVERTISING MAIL

What is the policy of your company concerning the delivery of incoming advertising mail addressed to the company's employees at their work stations?



Source: Opinion Research Corporation for the USPS 1989.

ATTITUDES REGARDING RECEIPT OF ADVERTISING MAIL AT THE OFFICE

Which statement best describes how you, as a business manager, feel about receiving advertising or promotional material through the mail at your office?

	PERCENT		
Response	April/May 1988 Base = 512	July/August 1988 Base = 503	October/November 1989 Base = 503
I would like to receive less advertising and promotional material in the mail that I get at the office.	34	34	39
Some advertising and promotional material is interesting, and enjoyable, and I don't mind getting some that doesn't interest me as long as I also get some that does interest me.	64	63	58
I would like to receive more advertising and promotional material in the mail that I get at the office.	2	3	3
No Response	*	0	*
Total	100	100	100

*denotes less than .5 percent

Source: Opinion Research Corporation for the USPS, 1989.

ATTITUDES REGARDING RECEIPT OF ADVERTISING MAIL AT HOME

Which statement best describes how you feel about receiving advertising or promotional material in your mail at home?

	PERCENT		
Response	April/May 1988 Base = 512	July/August 1988 Base = 503	October/November 1989 Base = 503
I would like to receive less advertising and promotional material in the mail that I get at home.	51	51	52
Some advertising and promotional material is interesting, and enjoyable, and I don't mind getting some that doesn't interest me as long as I also get some that does interest me.	47	45	46
I would like to receive more advertising and promotional material in the mail that I get at home.	2	4	2
No Response	*	0	*
Total	100	100	100

*denotes less than .5 percent

Source: Opinion Research Corporation for the USPS, 1989.

READING OF ADVERTISING MAIL RECEIVED AT THE OFFICE

Which of these best describes the advertising mail you, as a business manager, receive?

	PERCENT		
Response	April/May 1988 Base = 512	July/August 1988 Base = 503	October/November 1989 Base = 503
Most is read by me or someone in my office.	15	17	17
Most is looked at by me, but not read.	61	58	57
Most is discarded without being read.	23	24	24
All is discarded without being read.	1	1	1
No Response	0	0	*
Total	100	100	100

* = less than .5 percent

Source: Opinion Research Corporation for the USPS, 1989.

READING OF ADVERTISING MAIL RECEIVED AT HOME

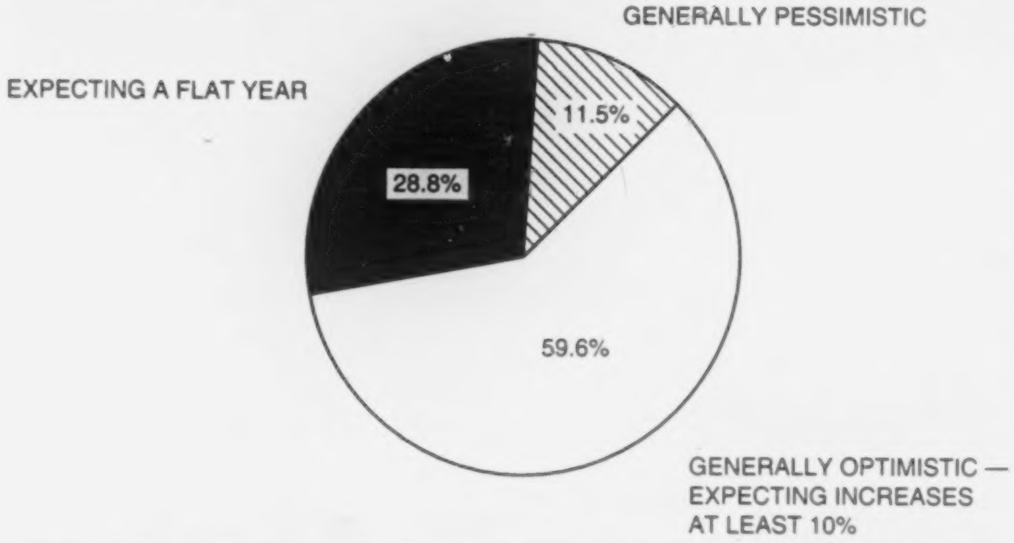
Which of these best describes the advertising mail received by your household?

	PERCENT		
Response	April/May 1988 Base = 512	July/August 1988 Base = 503	October/November 1989 Base = 503
Most is read by me or someone in my household.	15	17	14
Most is looked at by someone, but not read.	52	51	54
Most is discarded without being read.	31	30	30
All is discarded without being read.	2	2	2
Total	100	100	100

Source: Opinion Research Corporation for the USPS, 1989.

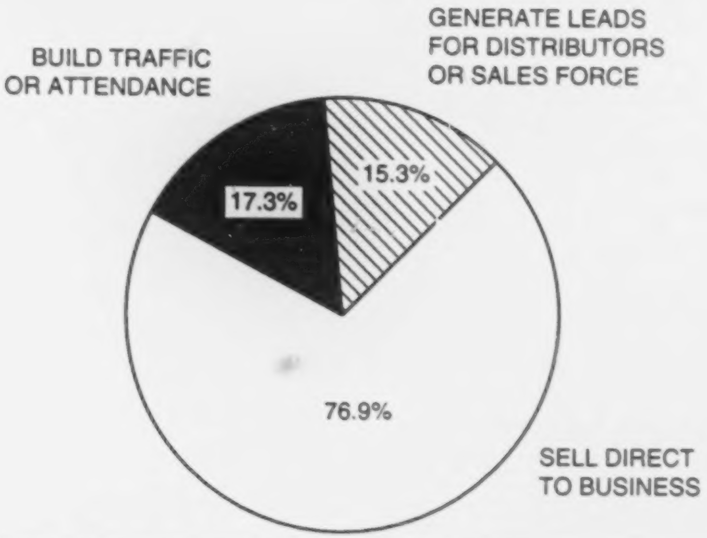
SALES AND REVENUE VIEW: 1991

CMP Direct Marketing Services conducted a survey among nearly 400 leading business-to-business mailers to determine what effect the postal increase and the state of the economy would have on business-to-business direct marketers.



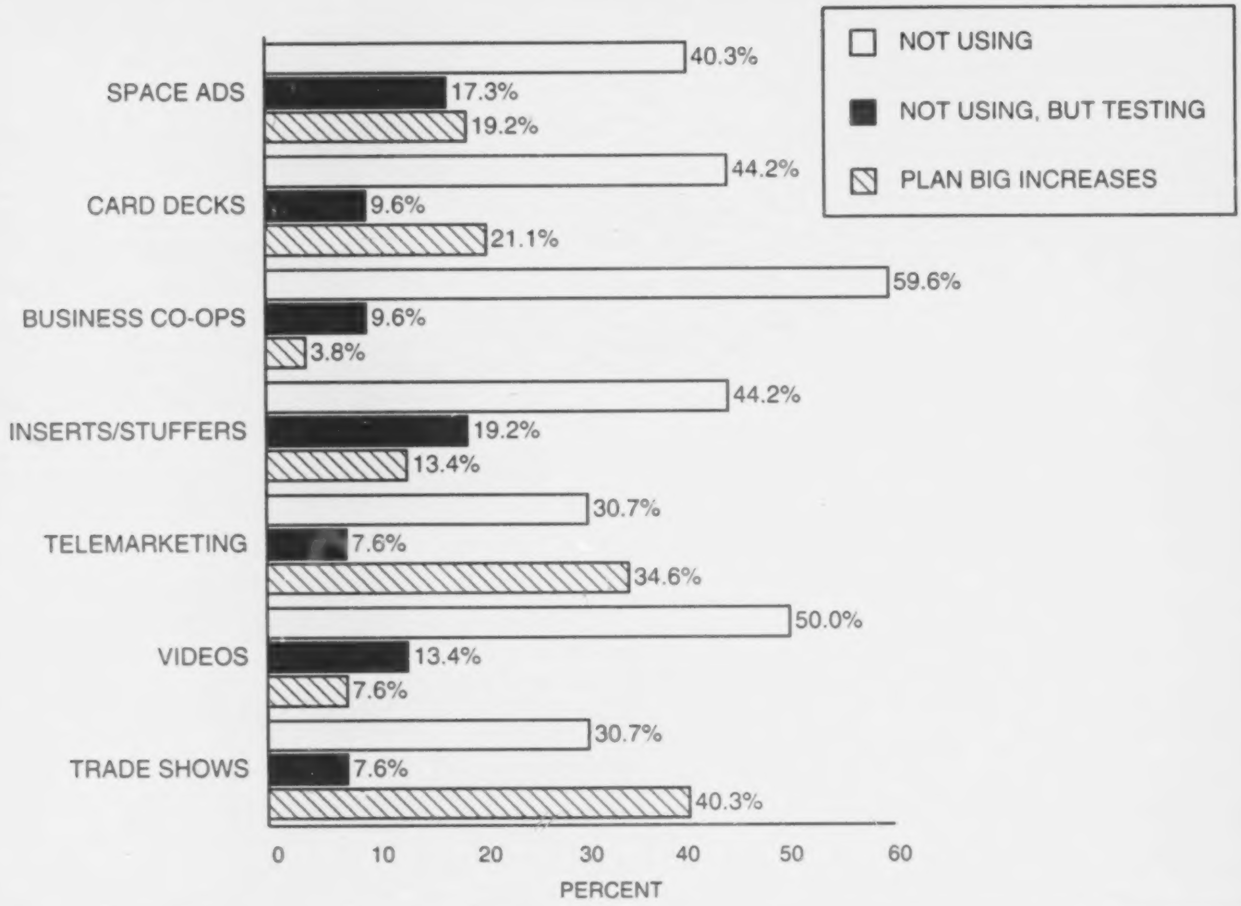
Source: CMP Direct Marketing Services, 1990.

BUSINESS-TO-BUSINESS DIRECT MARKETERS' USE OF DIRECT MAIL



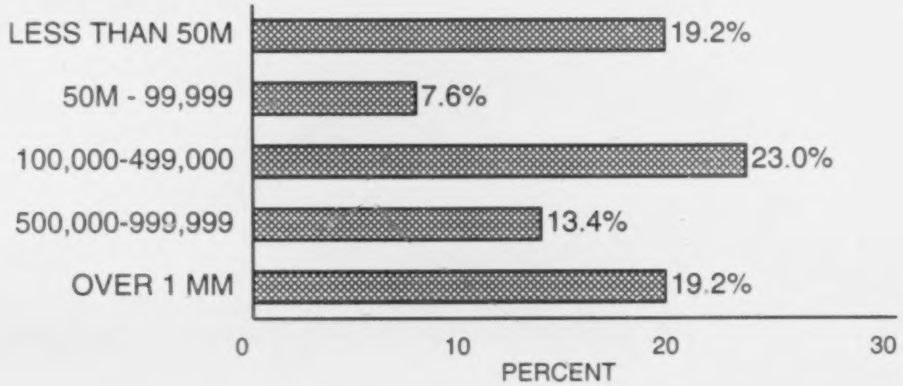
Source: CMP Direct Marketing Services, 1990.

PLANS FOR NON-MAIL MEDIA AND CO-OPERATIVE MAIL IN 1991



Source: CMP Direct Marketing Services, 1990.

NUMBER OF NAMES RENTED ANNUALLY



Source: CMP Direct Marketing Services, 1990.

• FINANCIAL SERVICES

INSURANCE

BANKS

CREDIT CARDS

TYPES OF LIFE INSURANCE POLICIES CARRIED

The Study of Media and Markets is a syndicated study based on a stratified multi-stage area probability sample of 19,373 adults in 1989 and 19,874 in 1990, interviewed between the months of July and June. The product usage and buying behavior data was gathered through self-administered questionnaires and personal interviews. The results (below) were then projected to reflect the entire U.S. population, estimated to be 178,193,000 in 1989 and 181,131,000 in 1990.

Boldface Numbers = 1990
Lightface Numbers = 1989

	Directly From Insurance Company		In Response To Mail Advertising Received at Home or Office (No Agent)		Through A Credit Card		With Loan, Mortgage, or Installment Payments		Through An Insurance Agent or Broker		Other	
	'000	%	'000	%	'000	%	'000	%	'000	%	'000	%
Currently Carry	**8,734** 9,647	**4.8** 5.4	**1,171** 1,718	**0.6** 1.0	**2,334** 2,240	**1.3** 1.3	**4,947** 7,067	**2.7** 4.0	**45,308** 41,574	**25.0** 23.3	**5,639** 6,908	**3.1** 3.9
Face Value of Life Insurance Currently Carried												
Less than $5,000	**2,797** 2,110	**1.5** 1.2	**441** 448	**0.2** 0.3	**890** 519	**0.5** 0.3	**859** 1,120	**0.5** 0.6	**8,305** 7,840	**4.6** 4.4	**1,511** 1,566	**0.8** 0.9
$5,000—$9,999	**1,969** 1,839	**1.1** 1.0	**234** 324	**0.1** 0.2	**433** 255	**0.2** 0.1	**706** 1,249	**0.4** 0.7	**6,480** 5,513	**3.6** 3.1	**1,013** 1,444	**0.6** 0.8
$10,000—$19,999	**1,418** 2,363	**0.8** 1.3	**184** 516	**0.1** 0.3	**254** 365	**0.1** 0.2	**1,171** 1,808	**0.6** 1.0	**6,121** 7,431	**3.4** 4.2	**1,071** 1,735	**0.6** 1.0
$20,000—$29,999	**681** 985	**0.4** 0.6	**52** 118	**•** 0.1	**203** 313	**0.1** 0.2	**512** 648	**0.3** 0.4	**5,256** 4,560	**2.9** 2.6	**595** 758	**0.3** 0.4
$30,000—$49,999	**234** 466	**0.1** 0.3	**43** 142	**•** 0.1	**87** 68	**•** •	**530** 824	**0.3** 0.5	**2,741** 2,625	**1.5** 1.5	**168** 240	**0.1** 0.1
$50,000—$74,999	**718** 824	**0.4** 0.5	**29** 90	**•** 0.1	**203** 321	**0.1** 0.2	**777** 956	**0.4** 0.5	**6,607** 5,681	**3.6** 3.2	**523** 496	**0.3** 0.3
$75,000—$99,999	**50** 108	**•** 0.1	**9** 40	**•** •	**17** 87	**•** •	**94** 154	**0.1** 0.1	**1,372** 1,248	**0.8** 0.7	**32** 63	**•** •
$100,000 or More	**868** 951	**0.5** 0.5	**179** 41	0.1 •	**248** 313	**0.1** 0.2	**298** 307	**0.2** 0.2	**8,428** 6,677	**4.7** 3.7	**726** 605	**0.4** 0.3

Source: Simmons Market Research Bureau, 1989, 1990 Study of Media and Markets.

MEDICAL, HOSPITAL OR HEALTH INSURANCE

The Study of Media and Markets is a syndicated study based on a stratified multi-stage area probability sample of 19,373 adults in 1989 and 19,874 in 1990, interviewed between the months of July and June. The product usage and buying behavior data was gathered through self-administered questionnaires and personal interviews. The results (below) were then projected to reflect the entire U.S. population, estimated to be 178,193,000 in 1989 and 181,131,000 in 1990.

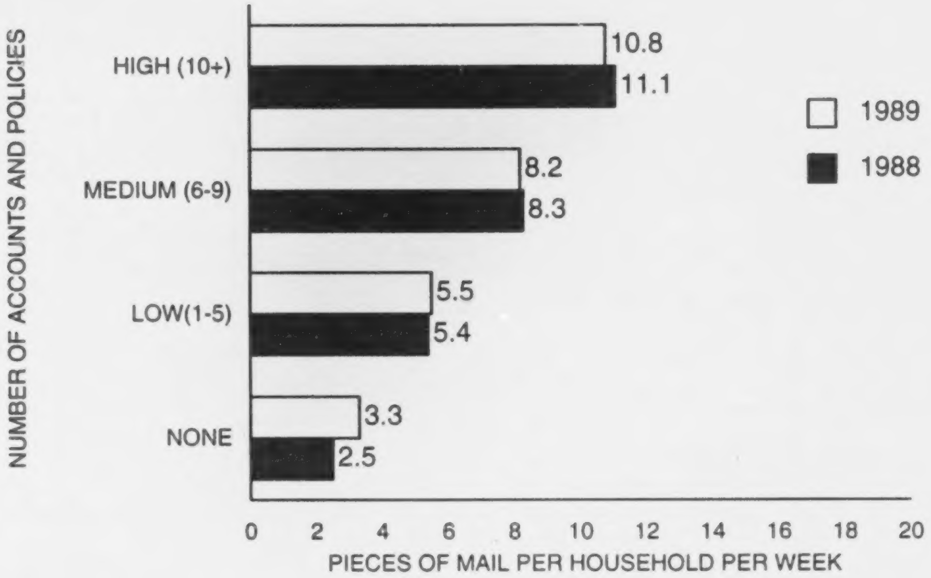
Boldface Numbers = 1990
Lightface Numbers = 1989

Types of Medical, Hospital or Health Insurance	Currently Carry		Acquired in Last 12 Months	
	'000	%	'000	%
From a Place of Work or Union	**87,132**	**48.1**	**9,481**	**5.2**
	76,648	43.0	10,442	5.9
From a Fraternal or Other Membership Group	**3,542**	**2.0**	**525**	**0.3**
	3,897	2.2	764	0.4
Medicare	**22,851**	**12.6**	**1,268**	**0.7**
	21,367	12.0	1,474	0.8
Medicaid	**6,621**	**3.7**	**1,022**	**0.6**
	7,045	4.0	725	0.4
Through an Independent Agent or Broker	**10,026**	**5.5**	**1,946**	**1.1**
	9,399	5.3	1,681	0.9
Directly from Insurance Company	**6,172**	**3.4**	**769**	**0.4**
	8,124	4.6	826	0.5
In Response to Mail Advertising or Telephone Solicitation	**677**	**0.4**	**193**	**0.1**
	1,370	0.8	257	0.1
In Response to Newspaper or Magazine Advertising (No Agent)	**547**	**0.3**	**114**	**0.1**
	641	0.4	214	0.1
Other	**9,268**	**5.1**	**938**	**0.5**
	8,623	4.8	933	0.5
Do Not Know	**4,204**	**2.3**		
	4,487	2.5		

Source: Simmons Market Research Bureau, 1989, 1990 Study of Media and Markets.

THIRD-CLASS BULK REGULAR RECEIPT BY NUMBER OF FINANCIAL ACCOUNTS AND INSURANCE POLICIES

POSTAL YEARS 1988 & 1989



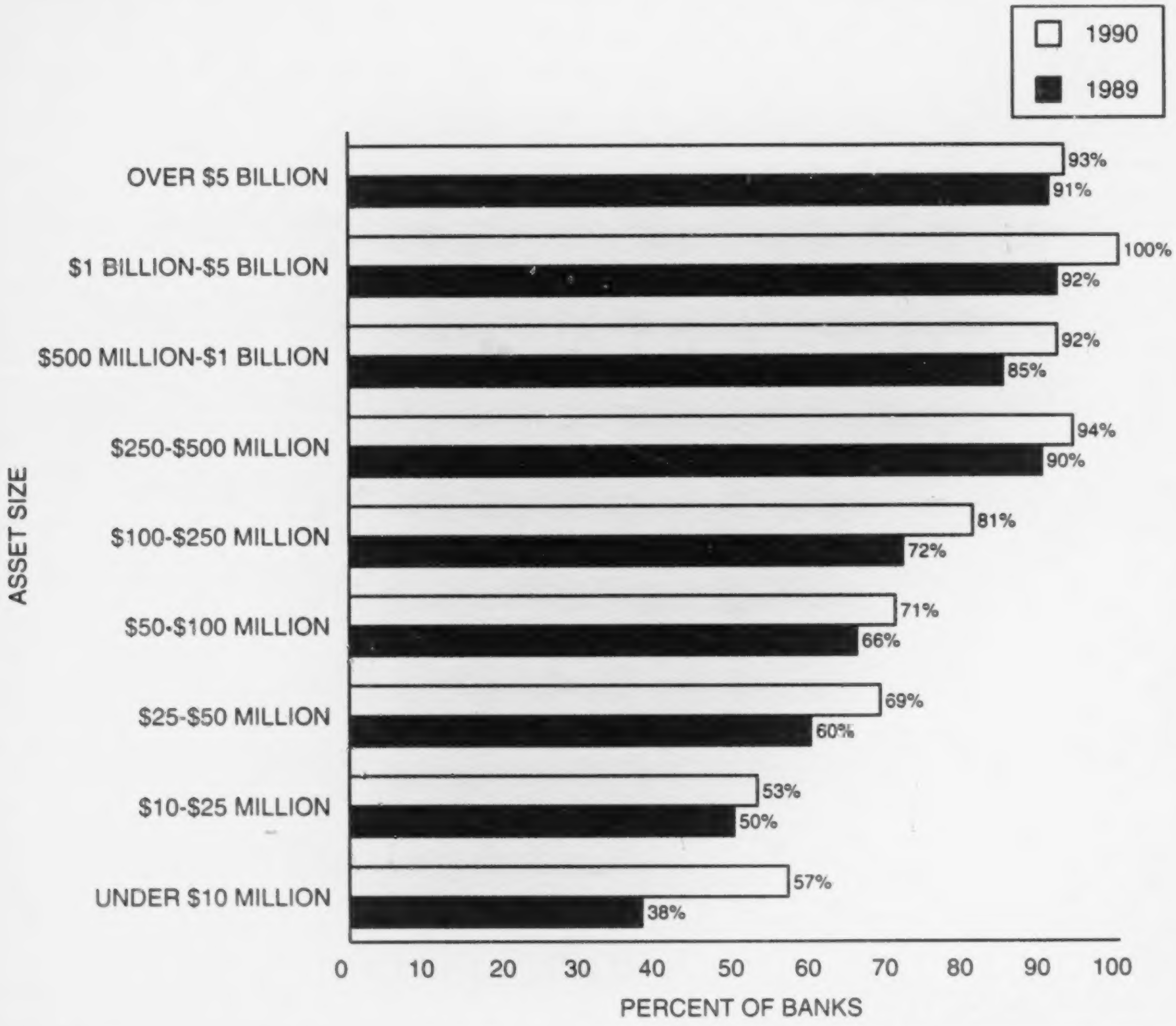
Source: USPS Household Diary Study, 1989 & 1990.

BANK SERVICES PROMOTED BY DIRECT MAIL

Type of Service	ASSET SIZE IN MILLIONS								
	Under $10	$10–25	$25–50	$50–100	$100–250	$250–500	$500–$1 Billion	$1 Billion–$5 Billion	$5 Billion–or More
CREDIT	92%	73%	84%	75%	84%	90%	91%	94%	100%
Credit Card	25	27	34	36	36	49	55	47	77
Installment	42	38	34	30	28	31	23	45	54
Home Equity	17	30	38	37	47	60	77	85	77
Other Line of Credit	42	24	18	11	11	16	13	26	23
Mortgage	42	35	26	22	26	26	23	32	23
DEPOSIT	100	89	90	88	88	83	87	87	100
Checking	75	57	54	56	47	42	53	51	62
Debit Card	8	14	13	14	15	12	11	19	23
Money Market	8	35	10	20	19	21	26	21	23
Short Term CDs	42	46	18	20	21	25	43	23	46
Long Term CDs	17	22	11	17	15	13	23	19	31
IRA	42	59	41	46	39	34	36	40	77
Trust	8	—	10	11	22	24	17	15	8
Senior Account/Senior Club	—	3	8	3	5	4	—	—	8
ATM/ATM Card	—	—	2	4	3	—	2	—	—
CORPORATE	42	51	31	34	38	39	40	26	31
Checking	17	43	16	18	18	12	4	4	15
Other Deposit	8	11	3	7	6	8	6	4	—
Loans	25	27	16	19	18	14	13	9	8
Cash Management	17	8	8	7	7	13	17	19	—
Institutional	8	3	5	7	10	15	15	11	8
Other Corporate Services	—	—	—	3	5	4	4	—	8

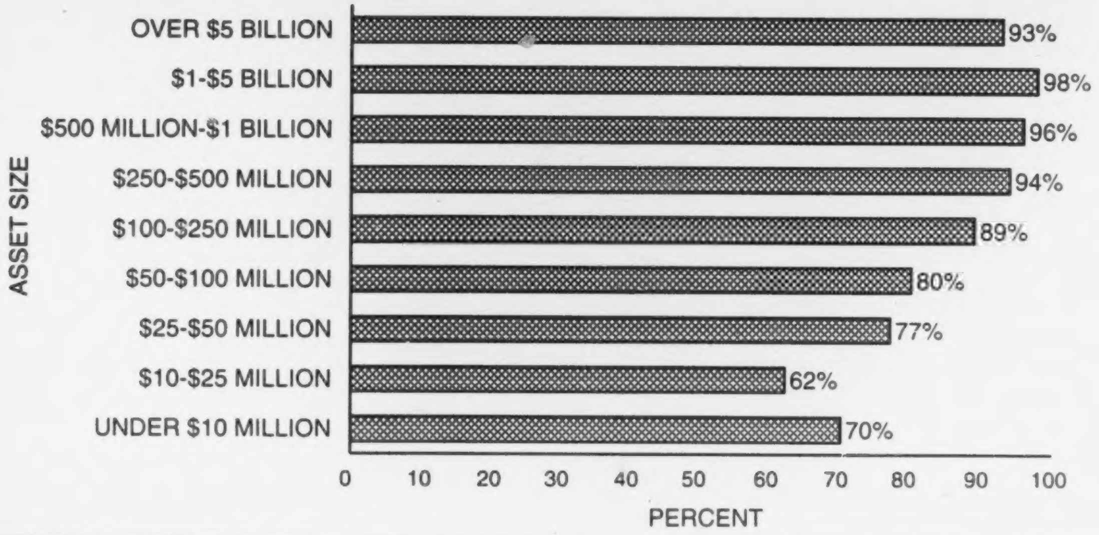
Source: Bank Marketing Association, 1990.

PERCENTAGE OF BANKS USING DIRECT RESPONSE ADVERTISING BY ASSET SIZE



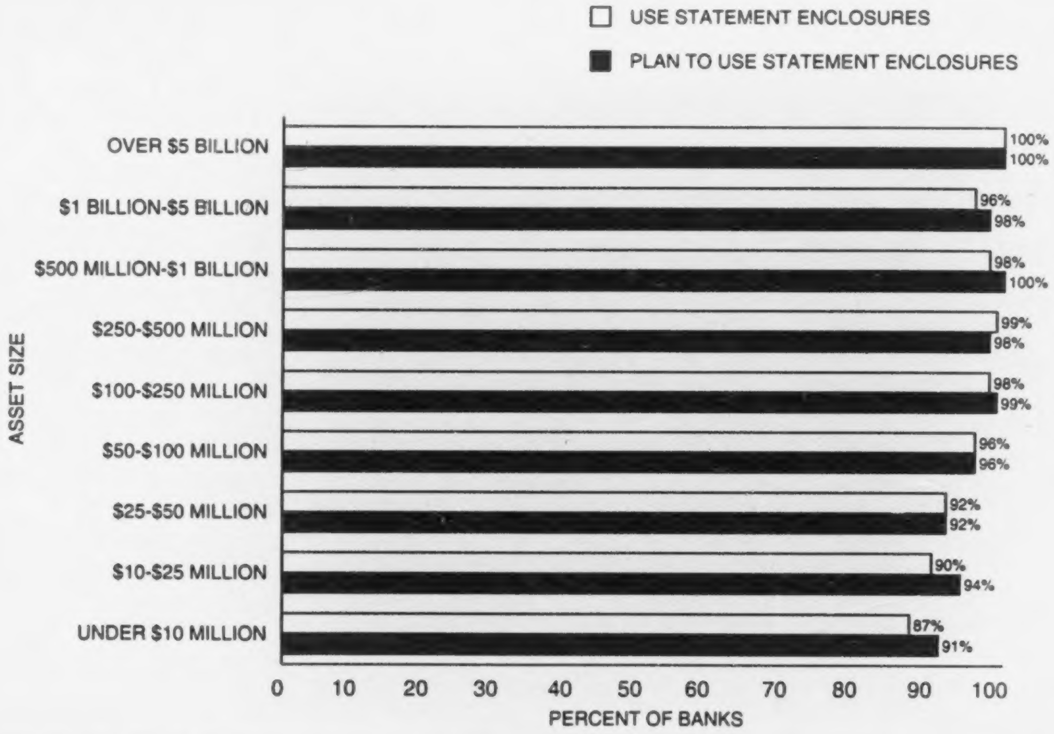
Source: Bank Marketing Association, 1989, 1990.

PERCENTAGE OF BANKS EXPECTING TO USE DIRECT MAIL IN 1991 BY ASSET SIZE



Source: Bank Marketing Association, 1990.

PERCENTAGE OF BANKS USING/EXPECTING TO USE STATEMENT ENCLOSURES BY ASSET SIZE



Source: Bank Marketing Association, 1990.

The Equifax Report on Consumers in the Information Age is a national opinion study exploring public and leadership experiences with, and attitudes toward, the use of personal information in a wide variety of contexts. The survey, consisting mainly of interviews conducted with a cross section of 2,254 Americans eighteen years of age and older, was conducted in early 1990.

CONSUMER SENTIMENTS REGARDING THE USE OF CREDIT RECORDS FOR PRE-SCREENING

Credit card issuers also market directly to consumers. To make sure they send information only to people who qualify, they ask credit bureaus to tell them which individuals meet their credit standards before they send a credit offer. Is this practice acceptable or unacceptable to you?

		Percent		
	Base	**Acceptable**	**Unacceptable**	**Not Sure**
Total Public	2,253	66	32	2
Sex				
Male	1,018	68	30	2
Female	1,235	64	35	1
Age				
18—29 years	505	70	29	1
30—49 years	990	63	36	1
50 years and over	734	66	31	3
Education				
Less than high school	264	67	30	3
High school graduate	794	67	32	1
Some college	570	65	34	1
College graduate	357	64	35	*
Postgraduate	253	64	34	2
Race				
White	1,934	66	32	2
Black	186	61	37	2
Hispanic	133	73	26	*
Household Member				
Bought/Responded to credit offer by mail	883	69	31	1
Hasn't Bought/Responded to credit offer by mail	1,345	64	34	2

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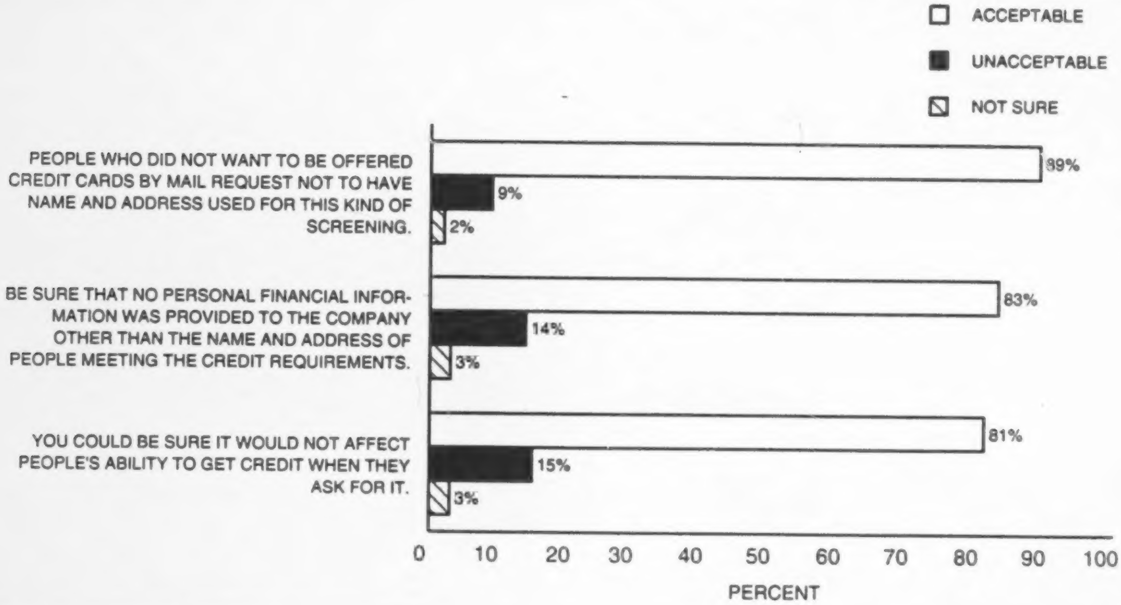
*Less than .5%

Source: Equifax, Inc., The Equifax Report on Consumers in the Information Age, 1990.

CONSUMER SENTIMENTS REGARDING THE USE OF CREDIT RECORDS FOR PRE-SCREENING WITH PROTECTIVE MEASURES

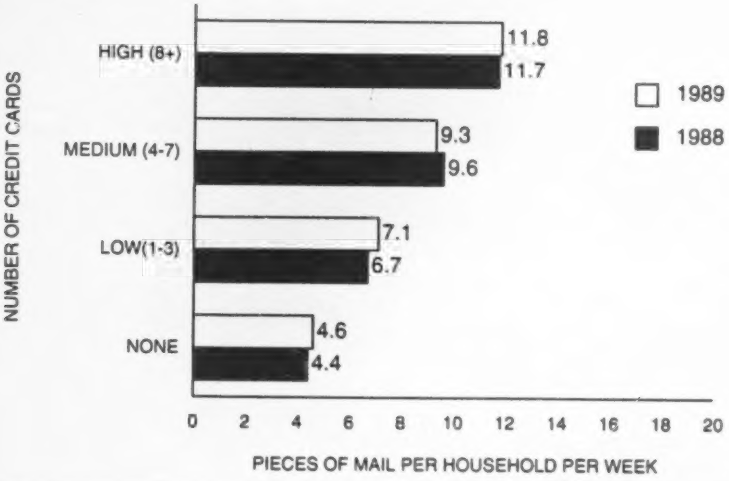
Credit card issuers also market directly to consumers. To make sure they send information only to people who qualify, they ask credit bureaus to tell them which individuals meet their credit standards before they send a credit offer. Would this practice be acceptable or unacceptable if (read each item):



Source: Equifax, Inc., The Equifax Report on Consumers in the Information Age, 1990.

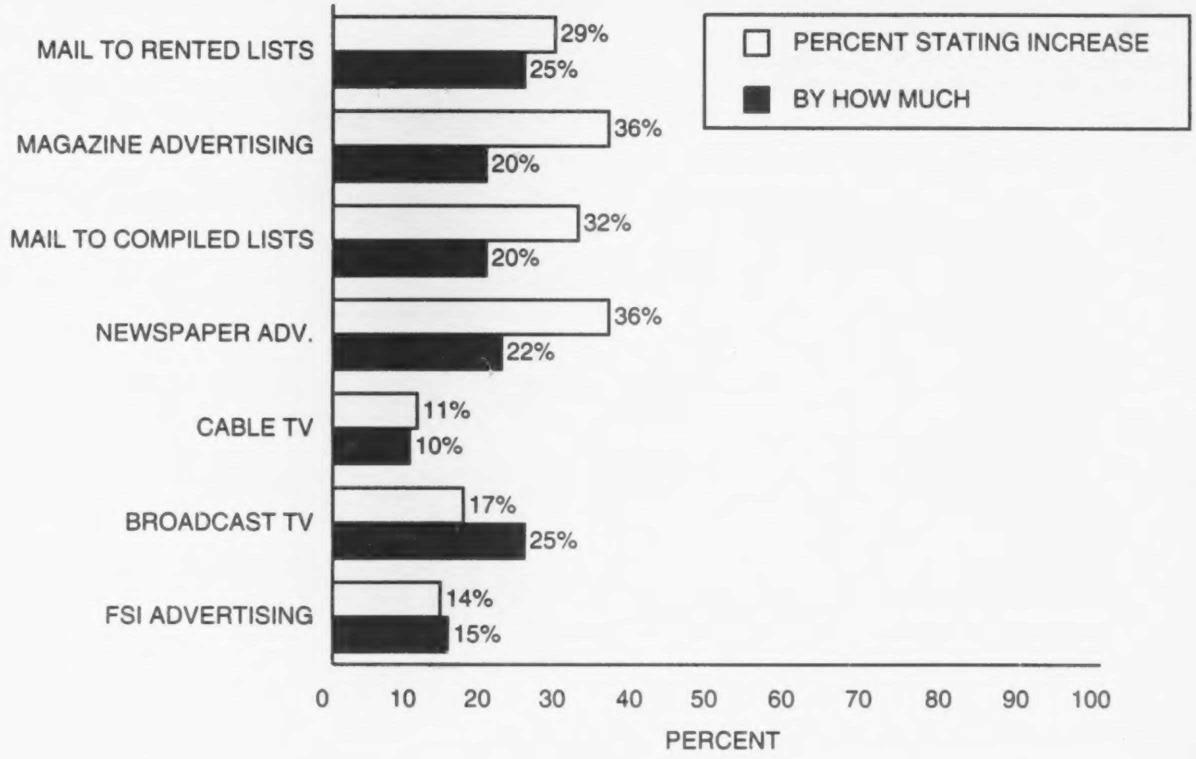
THIRD-CLASS BULK REGULAR MAIL RECEIPT BY NUMBER OF CREDIT CARDS

POSTAL YEARS 1988 & 1989



Source: USPS Household Diary Study, 1989 & 1990.

FINANCIAL SERVICES' ADVERTISING EXPENDITURE EXPECTATIONS FOR 1991



Source: DMA Marketing Practices and Performance Survey, David Shepard and Associates, 1990.

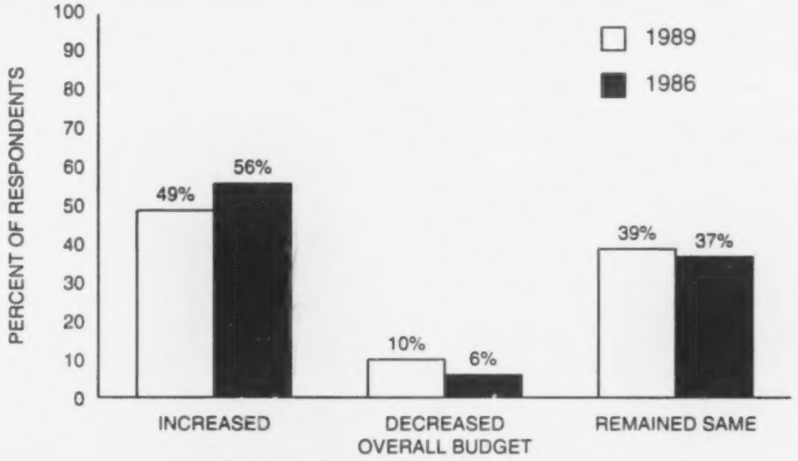
• CIRCULATION

COSTS

TRENDS

BUDGETARY CONSIDERATIONS FOR CIRCULATION PROMOTION

The DMA Research Department/Circulation Council's 1989 Periodical Publications Survey was conducted by self-administered mail survey in November, 1989 among 1,600 publications. A response rate of 14.2% was achieved.



Source: DMA Research Department/Circulation Council: Periodical Publications Survey, 1990.

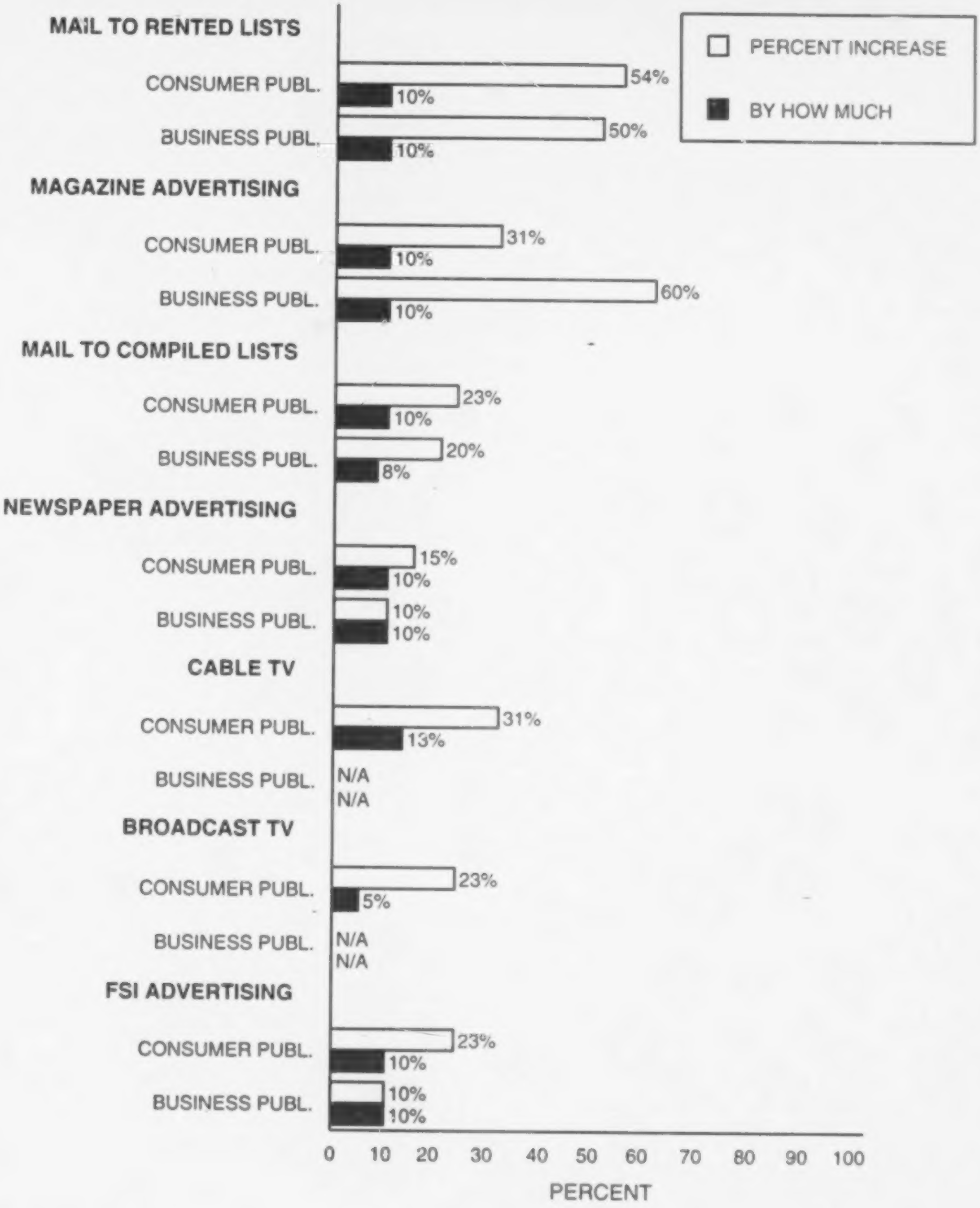
1990 CIRCULATION SALARIES

Crandall Associates, Inc. have determined the salaries by the following process: 1) Discussion with employers, from presidents to personnel officers throughout the country, in companies varying in geographic areas, number of employees, and sales volume; 2) Personal interviews and discussions with the professionals in Direct Marketing at all salary levels, working from coast to coast; 3) Search assignments that have been received nationally, enabling Crandall Associates, Inc. to confirm salary levels that prove to be effective in recruiting candidates from each experience range, and serve as a double check on the figures.

Position Title And Description	Years Exp.	Base Salary Range (excluding benefits)		Leading Firms
CIRCULATION DIRECTOR/Consumer: Identifies the target audience, sets marketing policy and pricing and guides creative efforts and audits.	1—3	$47,900	$52,100	$56,900
	4—7	$54,600	$59,900	$63,700
	7+	$61,400	$67,000	$76,300
CIRCULATION MANAGER/Consumer: Execution of master plan. Responsible for subscriptions, renewals, newsstand and fulfillment.	1—3	$31,300	$35,800	$38,600
	4—7	$36,900	$45,200	$50,600
	7+	$47,100	$54,100	$61,300
CIRCULATION DIRECTOR/Trade: Penetrates defined audience with specific emphasis on positioning, renewals and audit bureau rules.	1—3	$29,900	$34,000	$39,500
	4—7	$36,400	$41,200	$49,100
	7+	$46,300	$51,800	$56,500
CIRCULATION MANAGER/Trade: Helps develop controlled and/or paid subscriptions and renewals; supervises the fulfillment operation.	1—3	$21,300	$24,900	$28,800
	4—7	$27,300	$31,300	$36,100
	7+	$33,800	$38,100	$39,900

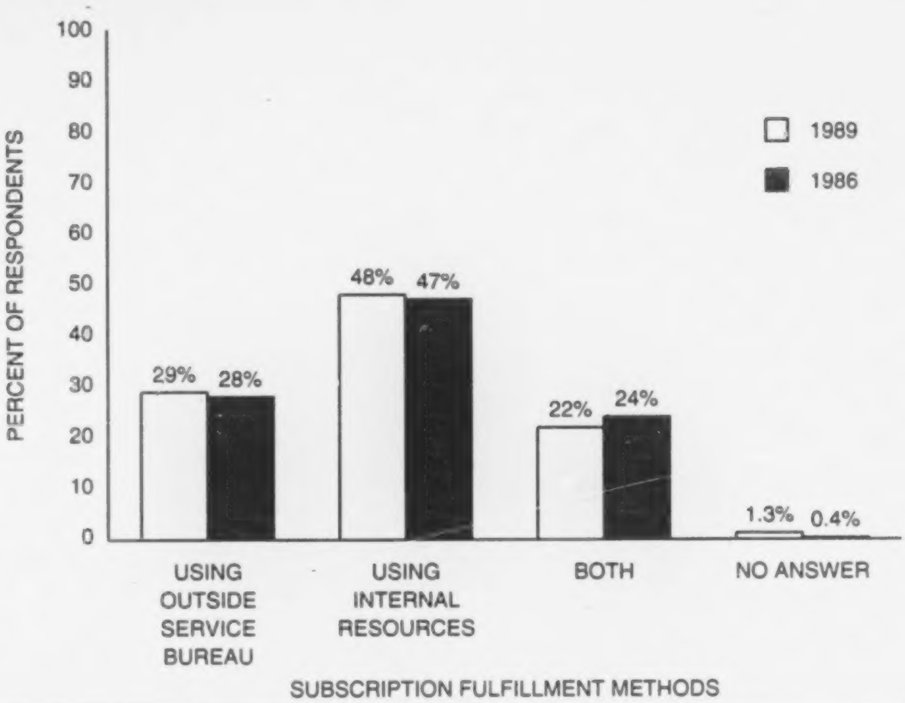
Source: Crandall Associates, Inc. 1990.

PUBLICATIONS' ADVERTISING EXPENDITURE EXPECTATIONS FOR 1991



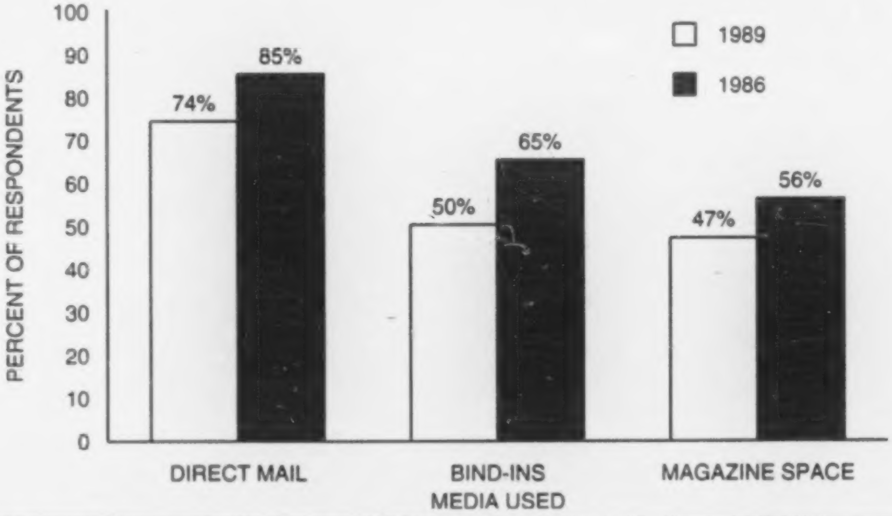
Performance Survey, David Shepard and Associates, 1990.

METHOD OF PERFORMING SUBSCRIPTION FULFILLMENT FUNCTIONS



Source: DMA Research Department/Circulation Council: Periodical Publications Survey, 1990.

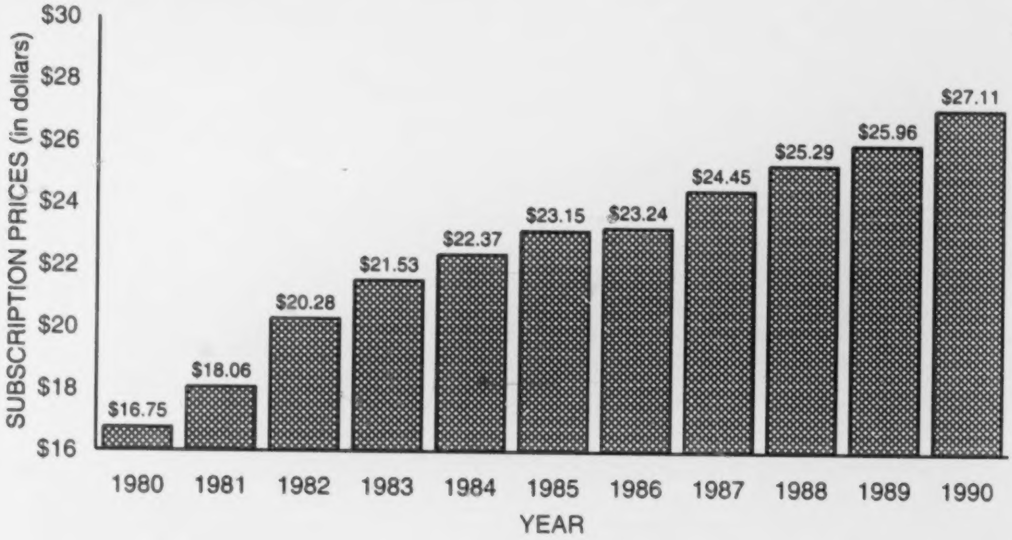
TOP THREE TYPES OF MEDIA USED FOR CIRCULATION PROMOTION



Source: DMA Research Department/Circulation Council: Periodical Publications Survey, 1990.

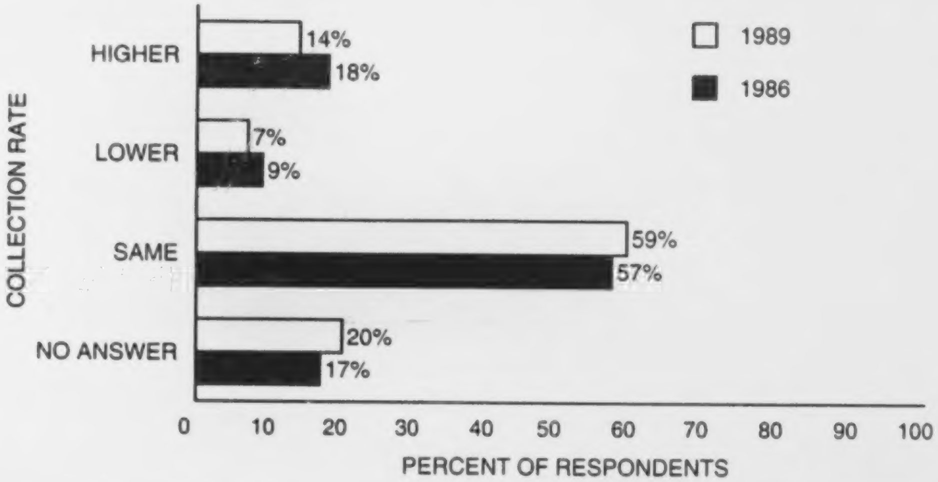
SUBSCRIPTION PRICE TRENDS

Following a significant price jump from 1980 to 1982, subscription prices have grown moderately (or with inflation) for several years. Several sources indicate that another price jump may be in the offing as publishers feel the pressure from mounting postage and paper costs. Since 1980, subscription prices have outpaced the consumer price index.



Source: Magazine Publishers of America, 1990.

STATUS OF COLLECTION RATE ON CREDIT ORDERS COMPARED WITH PREVIOUS YEAR



Source: DMA Research Department/Circulation Council: Periodical Publications Survey, 1990.

NEW BUSINESS PROMOTION SOURCES USED

This section concentrates on the important issue of new business sources used for soliciting new publication subscriptions.

DIRECT MAIL

Year	1986	1989
N = Sample Size	(279)	(232)
USAGE	85%	75%
RESPONSE		
BETTER	45%	34%
WORSE	22%	24%
SAME	30%	35%
NO ANSWER	4%	7%

BLOW-INS

Year	1986	1989
N = Sample Size	(279)	(232)
USAGE	38%	38%
RESPONSE		
BETTER	37%	37%
WORSE	12%	7%
SAME	49%	49%
NO ANSWER	3%	6%

BIND-INS

Year	1986	1989
N = Sample Size	(279)	(232)
USAGE	65%	50%
RESPONSE		
BETTER	35%	40%
WORSE	9%	7%
SAME	52%	42%
NO ANSWER	3%	11%

MAGAZINE SPACE

Year	1986	1989
N = Sample Size	(279)	(232)
USAGE	56%	46%
RESPONSE		
BETTER	24%	22%
WORSE	14%	15%
SAME	57%	52%
NO ANSWER	5%	11%

Source: DMA Research Department, Circulation Council, 1990.

New Business Promotion Sources cont'd.

GIFTS

Year N = Sample Size	1986 (279)	1989 (232)
USAGE	34%	33%
RESPONSE		
BETTER	37%	50%
WORSE	15%	8%
SAME	46%	29%
NO ANSWER	2%	12%

CATALOG AGENTS

Year N = Sample Size	1986 (279)	1989 (232)
USAGE	31%	26%
RESPONSE		
BETTER	10%	10%
WORSE	8%	7%
SAME	80%	75%
NO ANSWER	2%	7%

TELEPHONE—OUTBOUND

Year N = Sample Size	1986 (279)	1989 (232)
USAGE	29%	27%
RESPONSE		
BETTER	41%	47%
WORSE	18%	4%
SAME	34%	38%
NO ANSWER	7%	11%

SCHOLASTIC PLANS

Year N = Sample Size	1986 (279)	1989 (232)
USAGE	22%	23%
RESPONSE		
BETTER	33%	12%
WORSE	15%	16%
SAME	50%	62%
NO ANSWER	2%	10%

DIRECT MAIL AGENTS

Year N = Sample Size	1986 (279)	1989 (232)
USAGE	22%	16%
RESPONSE		
BETTER	29%	22%
WORSE	15%	25%
SAME	52%	47%
NO ANSWER	3%	6%

Source: DMA Research Department, Circulation Council, 1990.

New Business Promotion Sources cont'd.

CO-OP MAILINGS

Year N = Sample Size	1986 (279)	1989 (232)
USAGE	15%	15%
RESPONSE		
BETTER	34%	28%
WORSE	22%	12%
SAME	41%	48%
NO ANSWER	3%	12%

CASH FIELD ACCOUNTS

Cash Field Account—An agency that undertakes to sell magazine subscriptions through sales people who contact their prospects door-to-door. Sales people collect payment, send pertinent information to the publisher, and keep a portion of the revenue as commission.

Year N = Sample Size	1986 (279)	1989 (232)
USAGE	11%	9%
RESPONSE		
BETTER	11%	15%
WORSE	4%	20%
SAME	82%	55%
NO ANSWER	4%	10%

RADIO

Year N = Sample Size	1986 (279)	1989 (232)
USAGE	10%	11%
RESPONSE		
BETTER	24%	19%
WORSE	14%	9%
SAME	57%	43%
NO ANSWER	5%	29%

NEWSPAPER INSERTS

Year N = Sample Size	1986 (279)	1989 (232)
USAGE	9%	8%
RESPONSE		
BETTER	44%	44%
WORSE	17%	6%
SAME	28%	44%
NO ANSWER	11%	6%

Source: DMA Research Department, Circulation Council, 1990.

New Business Promotion Sources cont'd.

NEWSPAPER SPACE

Year N = Sample Size	1986 (279)	1989 (232)
USAGE	9%	9%
RESPONSE		
BETTER	19%	44%
WORSE	29%	22%
SAME	43%	28%
NO ANSWER	10%	6%

CABLE TV

Year N = Sample Size	1986 (279)	1989 (232)
USAGE	7%	7%
RESPONSE		
BETTER	43%	13%
WORSE	43%	20%
SAME	14%	40%
NO ANSWER	—	27%

TV—NETWORK/LOCAL

Year N = Sample Size	1986 (279)	1989 (232)
USAGE	7%	8%
RESPONSE		
BETTER	31%	20%
WORSE	46%	27%
SAME	23%	33%
NO ANSWER	—	20%

PAID DURING SERVICE (PDS) AGENTS

PDS—term used to describe a method of paying for magazine subscriptions in installments, usually weekly or monthly, and usually collected in person by the original sales person or a representative of that company.

Year N = Sample Size	1986 (279)	1989 (232)
USAGE	6%	6%
RESPONSE		
BETTER	12%	23%
WORSE	6%	15%
SAME	81%	61%
NO ANSWER	—	—

Source: DMA Research Department, Circulation Council, 1990.

NUMBER OF ABC-AUDITED CONSUMER MAGAZINE SUBSCRIPTIONS SOLD, BY CHANNEL OF DISTRIBUTION

CHANNEL	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
Direct Mail	140,128	149,997	162,542	182,177	189,263	183,187	196,023	196,794	191,767	188,222
Catalog Agencies	3,598	3,942	3,391	3,798	3,856	3,880	3,878	3,743	3,161	3,744
Publisher's Own	3,320	3,365	3,473	3,109	2,287	2,047	2,762	3,122	2,913	3,073
Independents	6,302	6,250	6,404	7,265	7,611	7,946	8,857	8,967	9,597	10,143
Newspaper Agencies	93	62	41	32	37	57	34	36	66	53
Schools, Churches	8,506	8,537	8,353	7,841	8,039	8,028	8,316	10,695	9,472	9,882
Association Memberships	32,841	37,892	43,638	41,994	48,356	54,323	57,717	58,462	59,496	69,657
All Other	5,349	5,481	5,562	5,028	5,212	5,059	3,389	3,391	3,412	2,481
Total Sold	200,137	215,526	233,404	251,244	264,661	265,126	280,976	285,209	279,884	287,255

Source: David Foster and Associates, Inc., as compiled from ABC Publishers Statements, 1991.

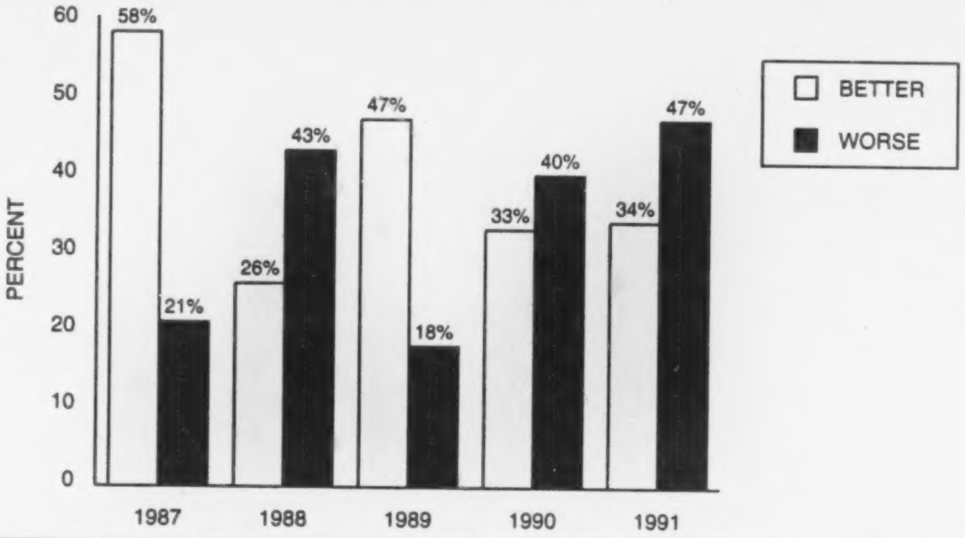
PERCENT OF ABC–AUDITED CONSUMER MAGAZINE SUBSCRIPTIONS SOLD, BY CHANNEL OF DISTRIBUTION

CHANNEL	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
Direct Mail	70.02%	69.60%	69.64%	72.51%	71.51%	69.32%	69.77%	69.00%	68.52%	65.52%
Catalog Agencies	1.80%	1.83%	1.45%	1.51%	1.46%	1.46%	1.38%	1.31%	1.13%	1.30%
Publisher's Own	1.66%	1.56%	1.49%	1.24%	0.86%	0.77%	0.98%	1.09%	1.04%	1.07%
Independents	3.15%	2.90%	2.74%	2.89%	2.88%	3.00%	3.15%	3.14%	3.43%	3.53%
Newspaper Agencies	0.05%	0.03%	0.02%	0.01%	0.01%	0.02%	0.01%	0.01%	0.02%	0.02%
Schools, Churches	4.25%	3.96%	3.58%	3.12%	3.04%	3.03%	2.96%	3.75%	3.38%	3.44%
Association Memberships	16.41%	17.58%	18.70%	16.71%	18.27%	20.49%	20.54%	20.50%	21.26%	24.25%
All Other	2.67%	2.54%	2.38%	2.00%	1.97%	1.91%	1.21%	1.19%	1.22%	0.86%
Total Sold	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Source: David Foster and Associates, Inc., as compiled from ABC Publishers Statements, 1991.

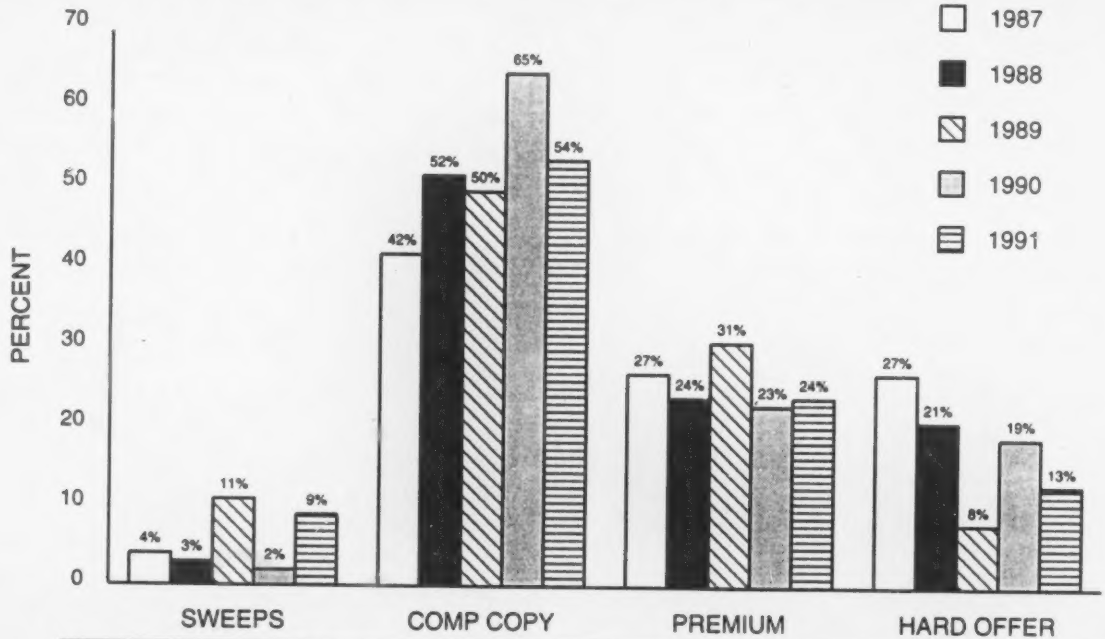
OVERALL RESPONSE OF YEAR-END MAILING vs. PRIOR YEAR

Capell's Circulation Report conducts a biannual industry survey among more than 100 consumer magazine circulation professionals. Results are representative of the ABC consumer magazine marketplace. The findings below are from the spring 1991 industry survey.



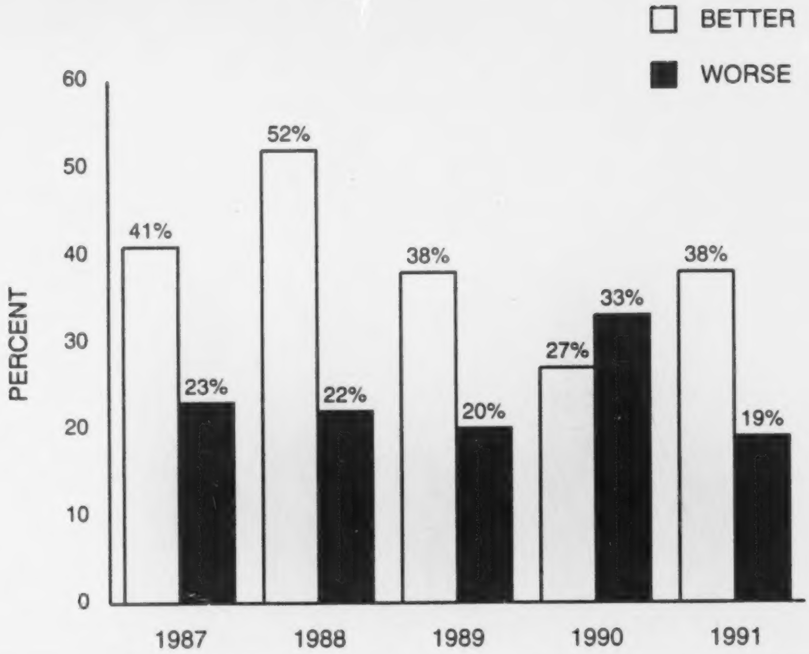
Source: Capell's Circulation Report, 1991.

DIRECT MAIL CONTROL OFFER USED IN CONSUMER MAGAZINE MARKETPLACE



Source: Capell's Circulation Report, 1991.

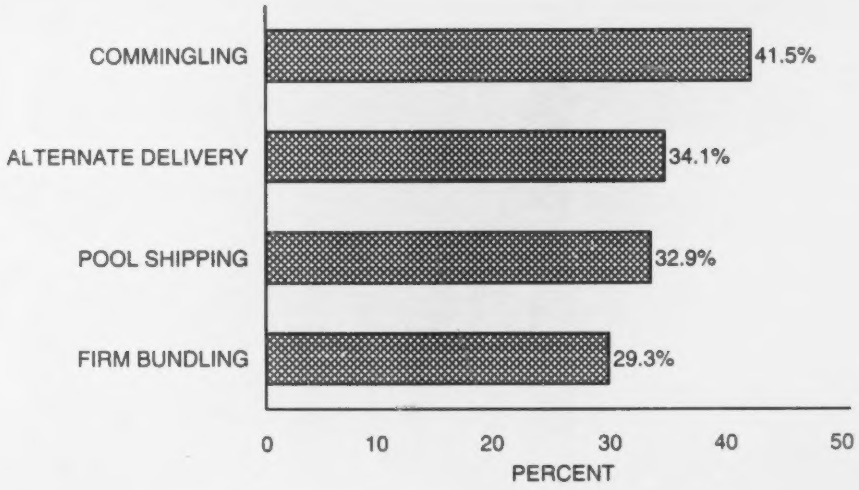
INSERT CARD PERFORMANCE vs. PRIOR YEAR



Source: Capell's Circulation Report, 1991.

DELIVERY METHODS UTILIZED

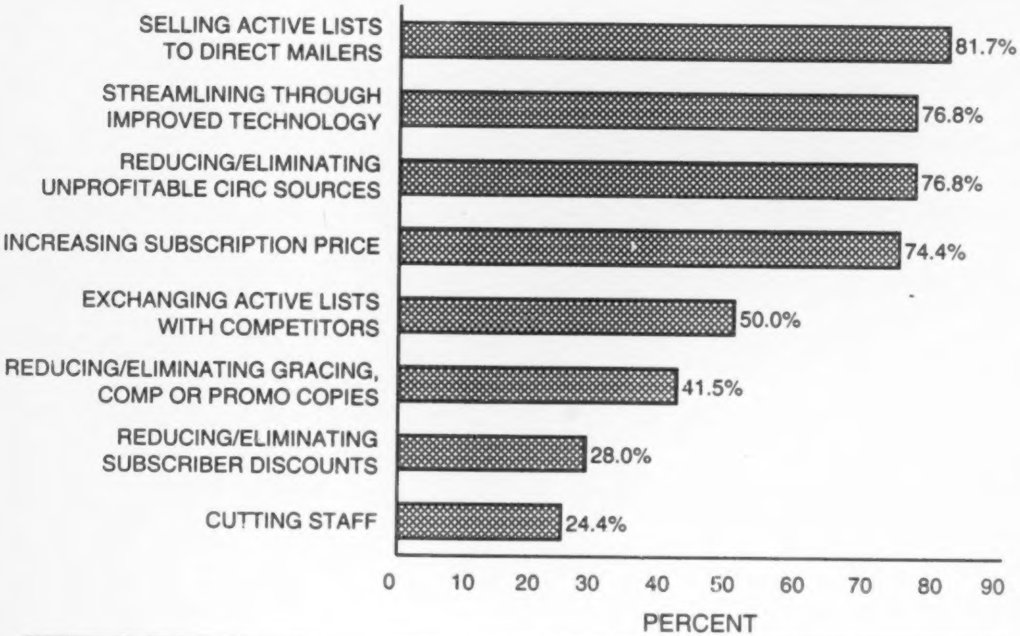
In late 1990, *Folio* Magazine surveyed 480 circulation executives to find out what magazines are doing to position their circulation departments to generate more profits. An 18% response rate was achieved. The chart below represents several delivery methods circulators are exploring to save on postage costs.



Source: *Folio* Magazine, 1991.

STRATEGIES UTILIZED TO IMPROVE PROFITABILITY

Three-quarters of the circulation executives surveyed reported using new technology to generate more profits.



Source: *Folio* Magazine, 1991.

• NON-PROFIT

TRENDS

CHARITABLE MAIL ORDER

	1989			1990		
Contribution Source	**Amount ($ Billions)**	**% Total**	**% Increase**	**Amount ($ Billions)**	**% Total**	**% Increase**
Individuals	$96.78	83.5%	12.1%	$101.80	83.0%	5.2%
Bequests	6.97	6.0	6.1	7.79	6.4	11.8
Corporations	6.55	5.7	6.5	7.08	5.8	8.1
Foundations	5.60	4.8	16.7	5.90	4.8	5.4
TOTAL	115.90	100.0	11.6	122.57	100.0	5.8
Destination						
Religion	$62.51	53.8%	30.0%	$65.76	53.7%	5.2%
Education	10.95	9.5	7.0	12.41	10.1	13.3
Health & Hospitals	9.93	8.6	3.7	9.90	8.1	-0.2
Human Services	11.39	9.8	8.6	11.82	9.6	3.8
Arts & Humanities	7.50	6.5	13.3	7.89	6.4	5.2
Public Society Benefits	3.84	3.3	19.6	4.92	4.0	28.2
Environment/Wildlife	1.75	1.5	--	2.29	1.9	30.9
International Affairs	1.71	1.5	--	2.23	1.8	29.7
Undesignated	6.32	5.5	--	5.34	4.4	--
TOTAL	115.90	100.0	11.6	122.57	100.0	5.8

Source: Marketing Logistics/Giving USA: Guide to Mail Order Sales, 1990.

MAIL ORDER INFLUENCED CONTRIBUTIONS

Originality of Contribution Source	**Amount ($ Billions)**	
	1989	**1990**
Repetitive Giving	$44.97	$47.56
New Sources	1.39	1.47
TOTAL	46.36	49.03
Destination		
Religion	$27.82	$32.28
Education	3.28	3.65
Health & Hospitals	3.08	2.92
Human Services	3.50	3.49
Arts & Humanities	2.30	2.33
Public Society Benefits	1.11	1.45
Environment/Wildlife	{5.27}	.68
International Affairs		.66
Undesignated		1.57
TOTAL	46.36	49.03

Source: Marketing Logistics/Giving USA: Guide to Mail Order Sales, 1990.

HOW RESPONDENTS CAME TO GIVE TO CHARITIES
(PERCENTAGE OF RESPONDENTS)*

In 1990, Independent Sector commissioned the Gallup Organization to conduct a national survey on the giving and volunteering behavior of Americans. The information included in the report was obtained from in-home personal interviews conducted from March to May 1990 with a representative sample of 2,727 adults.

Type of Charity	Decided on Own	Personally Asked to Give	Responded to Letter	Responded to Ad	Responded to Telephone	Other	Don't Know/ No Answer
Arts, culture, and humanities	28	27	16	14	7	2	13
Education	38	37	15	2	8	2	7
Environment	29	28	28	6	4	0	9
Health	30	36	20	6	10	3	6
Human services	37	35	10	3	7	2	14
International, foreign	31	20	17	14	2	3	19
Private and community foundations	33	35	9	2	10	1	15
Public and societal benefit	24	39	12	3	10	2	16
Recreation-adults	43	24	12	6	5	0	13
Religion	68	21	4	1	2	3	7
Youth development	27	50	7	2	7	1	12

* Percentages will not total to 100 due to rounding and multiple responses.

Source: Independent Sector, Giving and Volunteering in the United States, 1990.

REASONS WHY RESPONDENTS GAVE TO ORGANIZATIONS THEY HAD NOT CONTRIBUTED TO BEFORE
(PERCENTAGE OF RESPONDENTS)*

Reason	Percentage of Respondents
Receiving a letter asking you to give	29.6
Being asked to give by someone you know well	22.7
Receiving a phone call asking you to give	16.6
Someone coming to the door asking you to give	14.4
Being asked at work to give	12.9
Read/heard news story	11.5
Asked by clergy to give	9.4
Reading a newspaper or magazine advertisement asking you to give	8.3
Seeing a television commercial asking you to give	6.1
Being asked to give in a telethon or radiothon	4.8
Other	12.1
Don't know	4.8

* Respondents could give multiple responses.

Source: Independent Sector, Giving and Volunteering in the United States, 1990.

THREE CONSTITUENCIES: WHO THEY ARE

To research trends in giving to social action advocacy movements, Craver, Mathews, Smith & Co. commissioned Peter D. Hart Research Associates to poll 503 current social action donors in November, 1990. Although social advocacy movements have traditionally been funded by men, this study suggests that younger women will form the financial core of such movements in the next decade.

	Proportion of All Donors %	Proportion of Younger Women %	Proportion of Younger Men %	Proportion of Older Donors %
ALL DONORS	100	27	13	59
PARTY IDENTIFICATION				
Democrats	63	74	50	62
Independents/Republicans	37	26	50	38
POLITICAL IDEOLOGY				
Radical/very liberal	36	45	24	35
Somewhat liberal	33	36	32	33
Moderate/conservative	28	17	42	29
INCOME				
Above $50,000	41	49	47	36
$35,000-$50,000	27	21	29	29
Below $35,000	22	23	12	24
OCCUPATION				
Professionals/executives	43	61	55	33
White collar/sales workers	18	24	21	13
Blue collar workers	4	3	14	3
Retirees	29	1	2	48

Source: Craver, Mathews Smith & Co./Peter D. Hart Research Associates, 1991.

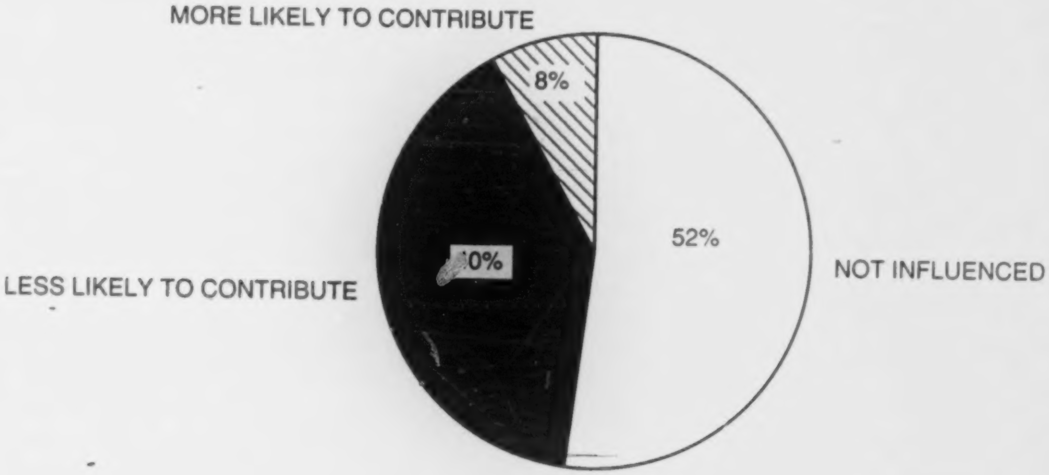
THREE CONSTITUENCIES: HOW THEY GIVE

	Proportion of All Donors %	Proportion of Younger Women %	Proportion of Younger Men %	Proportion of Older Donors %
ALL DONORS	100	27	13	59
CURRENT DONOR STATUS				
Give to 1 or 2 groups	11	11	14	10
Give to 3-5 groups	33	35	42	29
Give to 6 groups or more	32	37	27	32
DONATION PATTERN				
Give less now/same as 5 years ago	28	17	26	33
Give more now than 5 years ago	49	66	57	39
Will give less/the same in next 5 years	43	29	37	52
Will give more in next 5 years	31	50	45	18

Source: Craver, Mathews Smith & Co./Peter D. Hart Research Associates, 1991.

INFLUENCE OF CREDIT CARDS ON CHARITABLE DONATIONS

TransAmerica Telemarketing designed and conducted a telemarketing survey on credit card usage in December, 1987 among 255 individuals to determine how donors feel about telemarketing. Names were selected from a national health non-profit organization, a humanitarian organization, a PBS station and donors to national political campaigns. As part of the survey, respondents were asked if they would be more likely to contribute to a charitable organization if they could charge their donation on a credit card. Results (below) indicate that donors are **NOT** more likely to use a credit card to charge donations, possibly because it makes the gift less personal.



Source: TransAmerica Telemarketing, 1988.

• SPECIALIZED PRODUCTS/ SERVICE MARKETS

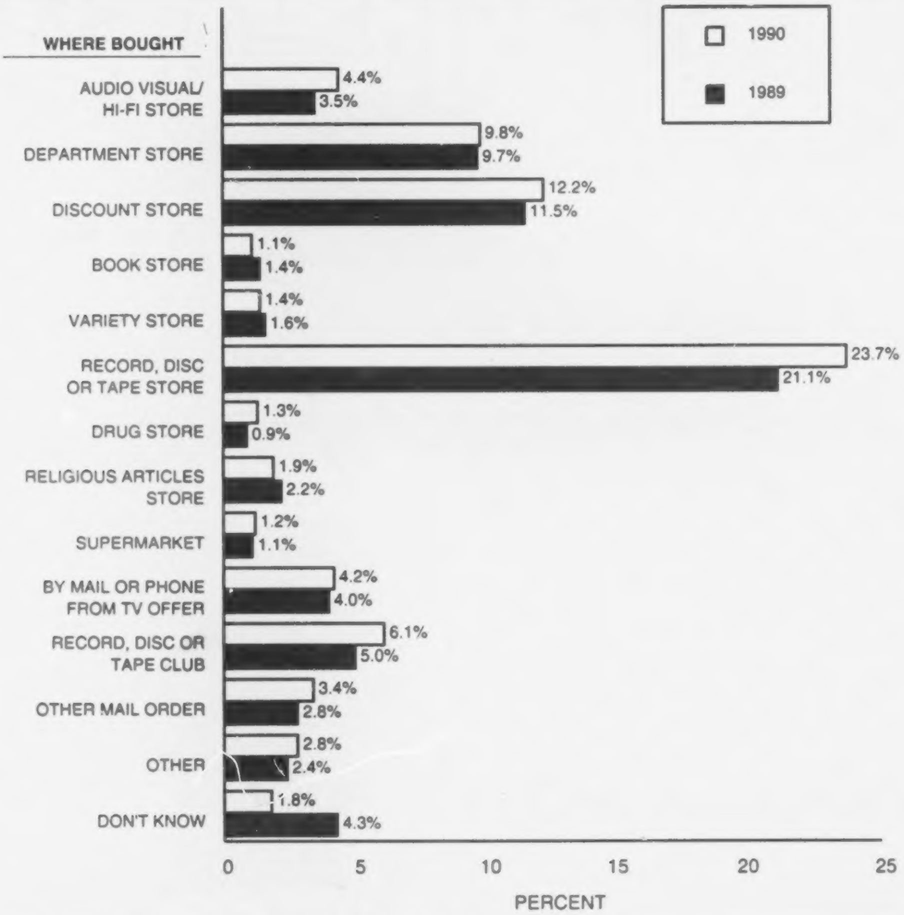
BUYING HABITS

COSTS

TRENDS

RECORDS, DISCS AND TAPES
(WHERE BOUGHT)

The Study of Media and Markets is a syndicated study based on a stratified multi-stage area probability sample of 19,373 adults in 1989, and 19,874 in 1990 interviewed between the months of July and June. The product usage and buying behavior data was gathered through self-administered questionnaires and personal interviews. The results (below) were then projected to reflect the entire U.S. adult population, estimated to be 178,193,000 in 1989 and 181,131,000 in 1990.



Source: Simmons Market Research Bureau: 1989, 1990 Study of Media and Markets.

RECORDS, COMPACT DISCS AND TAPES
PURCHASE SOURCE

The 1990 Study of Media and Markets is a syndicated study on a stratified multi-stage area probability sample of 19,874 adults, interviewed between the months of July and June. The product usage and buying behavior data was gathered through self-administered questionnaires and personal interviews. The results (below) were then projected to reflect the entire U.S. adult population, estimated to be 181,131,000 in 1990.

	Total U.S. (000)	By Mail or Phone from TV Offer		Other Mail Order		Record Disc or Tape Club	
		(000)	%	(000)	%	(000)	%
TOTAL ADULTS	181,131	7,518	4.2	6,094	3.4	11,136	6.1
MALES	86,476	2,955	3.4	2,676	3.1	5,361	6.2
FEMALES	94,655	4,563	4.8	3,419	3.6	5,775	6.1
18—24	25,507	956	3.7	678*	2.7	2,152	8.4
25—34	43,858	1,756	4.0	1,709	3.9	4,039	9.2
35—44	36,206	1,671	4.6	979	2.7	2,345	6.5
45—54	24,795	1,424	5.7	926	3.7	1,250	5.0
55—64	21,496	702	3.3	776	3.6	741	3.4
65 OR OLDER	29,268	1,009	3.4	1,027	3.5	609	2.1
NORTHEAST-CENSUS	38,551	1,266	3.3	1,716	4.5	2,882	7.5
MIDWEST	44,079	1,999	4.5	1,754	4.0	3,154	7.2
SOUTH	62,458	2,627	4.2	1,292	2.1	2,735	4.4
WEST	36,042	1,626	4.5	1,333	3.7	2,365	6.6
HOUSEHOLD INCOME $60,000+	31,937	1,651	5.2	1,409	4.4	2,577	8.1
$50,000 OR MORE	47,508	2,351	4.9	2,155	4.5	3,942	8.3
$40,000 OR MORE	68,804	3,219	4.7	2,926	4.3	5,550	8.1
$30,000 OR MORE	96,864	4,691	4.8	3,993	4.1	7,332	7.6
$30,000—$39,999	28,060	1,473	5.2	1,067	3.8	1,782	6.4
$20,000—$29,999	30,796	1,104	3.6	926	3.0	1,835	6.0
$10,000—$19,999	32,038	1,051	3.3	748	2.3	1,513	4.7
UNDER $10,000	21,433	672	3.1	427	2.0	455	2.1

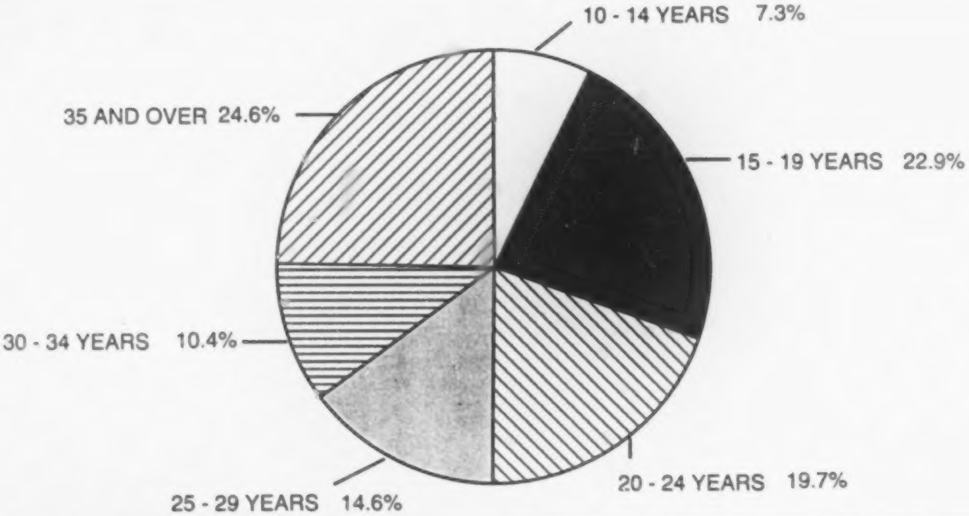
*Projection relatively unstable because of sample base—use with caution.

Source: Simmons Market Research Bureau: 1990 Study of Media and Markets.

TOTAL RECORDS AND PRERECORDED TAPES PURCHASED BY AGE BASED ON DOLLAR VOLUME 1989

Every month, Chilton Research Services conducts a consumer survey under the guidance of the Recording Industry Association of America. Consumers are interviewed using a random sampling of approximately 1,225 males and females, out of which an average of 225 record buyers are contacted throughout the U.S.

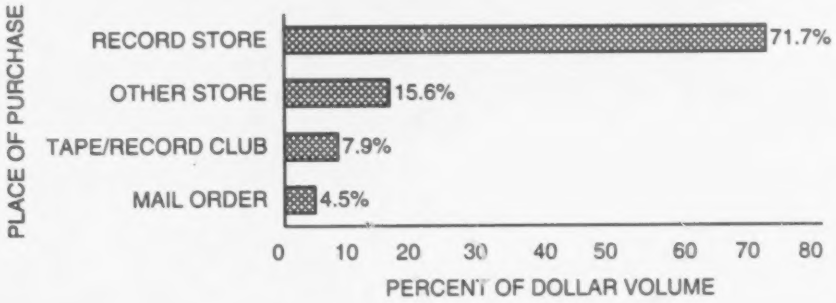
Those who are "thirty-something" and older account for 35% of the dollar volume spent on pre-recorded products.



Source: Recording Industry Association of America, 1990.

PRERECORDED PRODUCT
PLACE OF PURCHASE: 1989

Every month, Chilton Research Services conducts a consumer survey under the guidance of the Recording Industry Association of America. Consumers are interviewed using a random sampling of approximately 1,225 males and females, out of which an average of 225 record buyers are contacted throughout the U.S.



Source: Recording Industry Association of America, 1990.

BOOK CLUBS

The Study of Media and Markets is a syndicated study on a stratified multi-stage area probability sample of 19,373 adults in 1989, and 19,874 in 1990, interviewed between the months of July and June. The product usage and buying behavior data was gathered through self-administered questionnaires and personal interviews. The results (below) were then projected to reflect the entire U.S. adult population, estimated to be 178,193,000 in 1989 and 181,131,000 in 1990.

Boldface Numbers = 1990
Lightface Numbers = 1989

	Total U.S. (000)	Belong to a Book Club		Males		Females	
		(000)	%	(000)	%	(000)	%
TOTAL ADULTS	**181,131** 178,193	**15,555** 17,695	**8.6** 9.9	**6,651** 7,855	**3.7** 4.4	**8,904** 9,840	**4.9** 5.5
MALES	**86,476** 85,056	**6,651** 7,855	**7.7** 9.2	**6,651** 7,855	**7.7** 9.2	**N/A** N/A	**N/A** N/A
FEMALES	**94,655** 93,136	**8,904** 9,840	**9.4** 10.6	**N/A** N/A	**N/A** N/A	**8,904** 9,840	**9.4** 10.6
18—24	**25,507** 25,713	**1,490** 2,524	**5.8** 9.8	**701** 1,304	**2.7** 5.1	**789** 1,220	**3.1** 4.7
25—34	**43,858** 43,283	**4,016** 4,758	**9.2** 11.0	**1,644** 2,094	**3.7** 4.8	**2,372** 2,664	**5.4** 6.2
35—44	**36,206** 34,804	**3,694** 3,729	**10.2** 10.7	**1,628** 1,754	**4.5** 5.0	**2,066** 1,976	**5.7** 5.7
45—54	**24,795** 23,902	**2,506** 2,590	**10.1** 10.8	**1,086** 1,149	**4.4** 4.8	**1,420** 1,441	**5.7** 6.0
55—64	**21,496** 21,733	**1,971** 1,894	**9.2** 8.7	**956** 824	**4.4** 3.8	**1,015** 1,070	**4.7** 4.9
65 OR OLDER	**29,268** 28,756	**1,878** 2,199	**6.4** 7.6	**636** 730	**2.2** 2.5	**1,242** 1,469	**4.2** 5.1
NORTHEAST-CENSUS	**38,551** 37,709	**4,479** 3,724	**11.6** 9.9	**1,982** 1,760	**5.1** 4.7	**2,497** 1,964	**6.5** 5.2
MIDWEST	**44,079** 43,858	**3,629** 3,611	**8.2** 8.2	**1,454** 1,416	**3.3** 3.2	**2,175** 2,195	**4.9** 5.0
SOUTH	**62,458** 61,120	**4,206** 7,003	**6.7** 11.5	**1,786** 3,231	**2.9** 5.3	**2,420** 3,772	**3.9** 6.2
WEST	**36,042** 35,505	**3,239** 3,356	**9.0** 9.5	**1,428** 1,449	**4.0** 4.1	**1,811** 1,908	**5.0** 5.4
HOUSEHOLD INCOME $60,000+	**31,937** 19,957	**3,565** 2,437	**11.2** 12.2	**1,715** 1,201	**5.4** 6.0	**1,850** 1,235	**5.8** 6.2
$50,000 OR MORE	**47,508** 31,697	**5,137** 3,820	**10.8** 12.1	**2,428** 1,984	**5.1** 6.3	**2,709** 1,836	**5.7** 5.8
$40,000 OR MORE	**68,804** 53,998	**7,234** 6,969	**10.5** 12.9	**3,631** 3,419	**5.3** 6.3	**3,603** 3,550	**5.2** 6.6
$30,000 OR MORE	**96,864** 83,793	**9,866** 10,069	**10.2** 12.0	**4,687** 4,615	**4.8** 5.5	**5,179** 5,454	**5.3** 6.5
$30,000—$39,999	**28,060** 29,795	**2,632** 3,100	**9.4** 10.4	**1,056** 1,190	**3.8** 4.0	**1,576** 1,904	**5.6** 6.4
$20,000—$29,999	**30,798** 34,040	**2,484** 3,370	**8.1** 9.9	**816** 1,559	**2.6** 4.6	**1,669** 1,811	**5.4** 5.3
$10,000—$19,999	**32,038** 38,419	**2,288** 3,082	**7.1** 8.0	**947** 1,238	**3.0** 3.2	**1,341** 1,844	**4.2** 4.8
UNDER $10,000	**21,433** 21,942	**916** 1,173	**4.3** 5.3	**201**** 442*	**0.9** 2.0	**715** 731	**3.3** 3.3

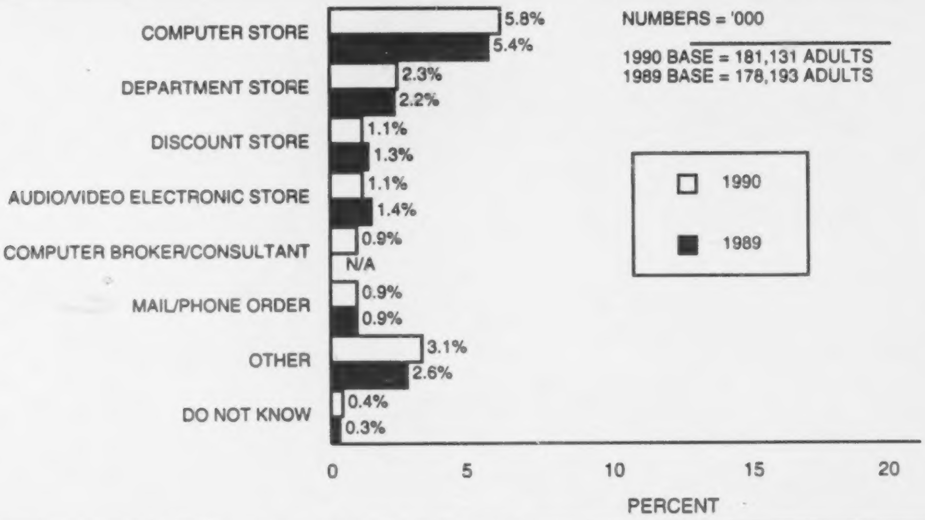
*Projection relatively unstable because of sample base—use with caution.

** Number of cases too small for reliability—shown for consistency only.

Source: Simmons Market Research Bureau: 1989, 1990 Study of Media and Markets.

PERSONAL COMPUTERS

Where was it purchased?

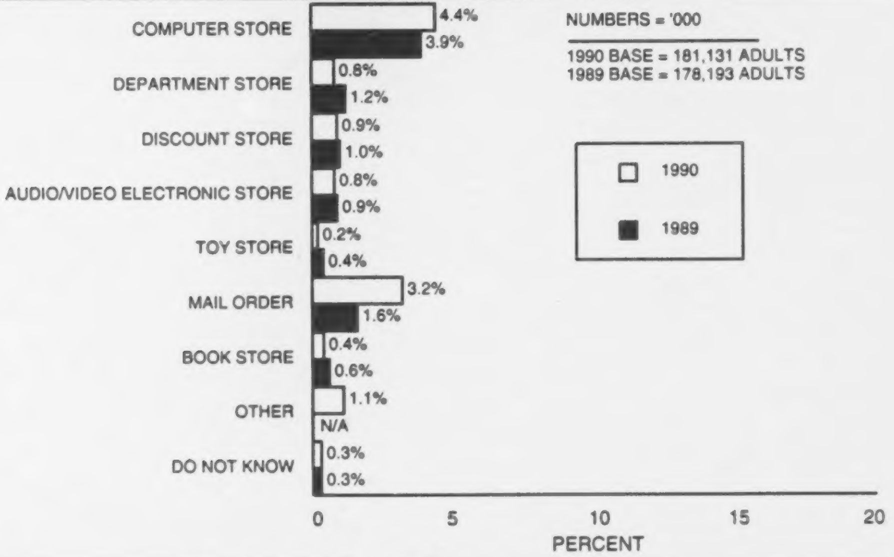


Source: Simmons Market Research Bureau: 1989, 1990 Study of Media and Markets.

SOFTWARE

The Study of Media and Markets is a syndicated study based on a stratified multi-stage area probability sample of 19,373 adults in 1989, and 19,874 in 1990, interviewed between the months of July and June. The product usage and buying behavior data was gathered through self-administered questionnaires and personal interviews. The results (below) were then projected to reflect the entire U.S. adult population, estimated to be 171,193,000 in 1989 and 181,131,000 in 1990.

Where did you purchase your software programs in the last 12 months?

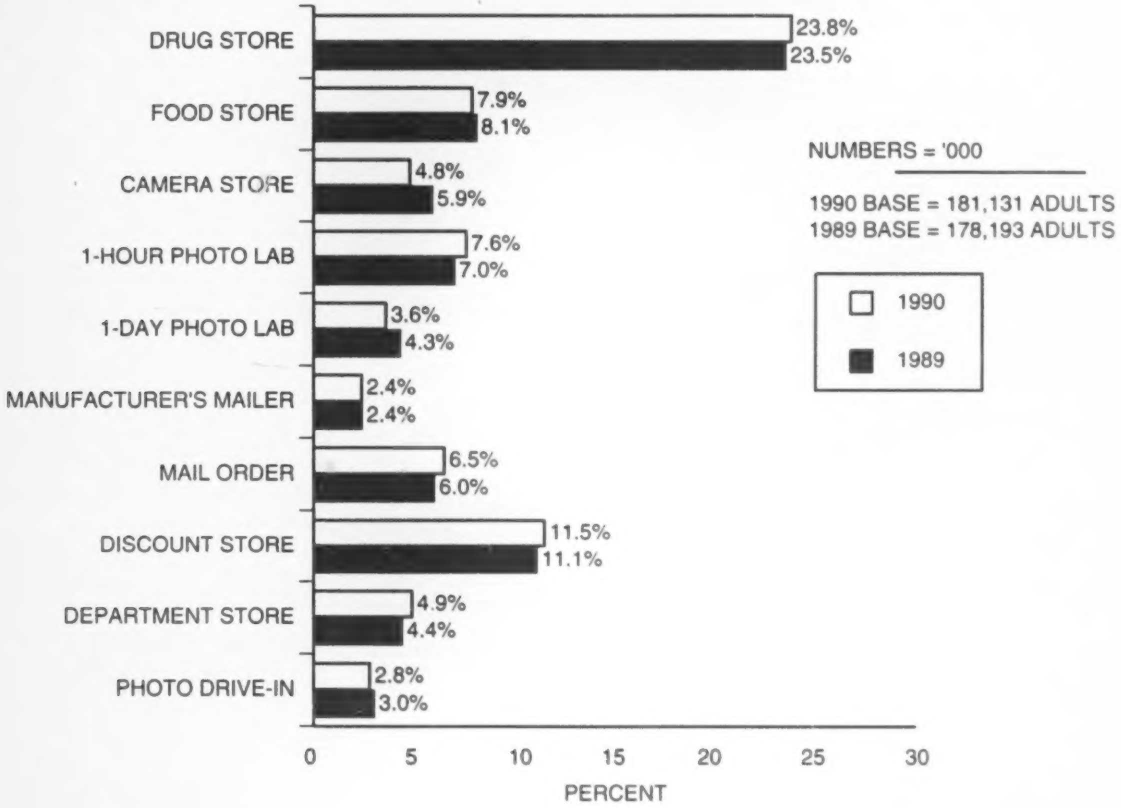


Source: Simmons Market Research Bureau: 1989, 1990 Study of Media and Markets.

FILM PROCESSING

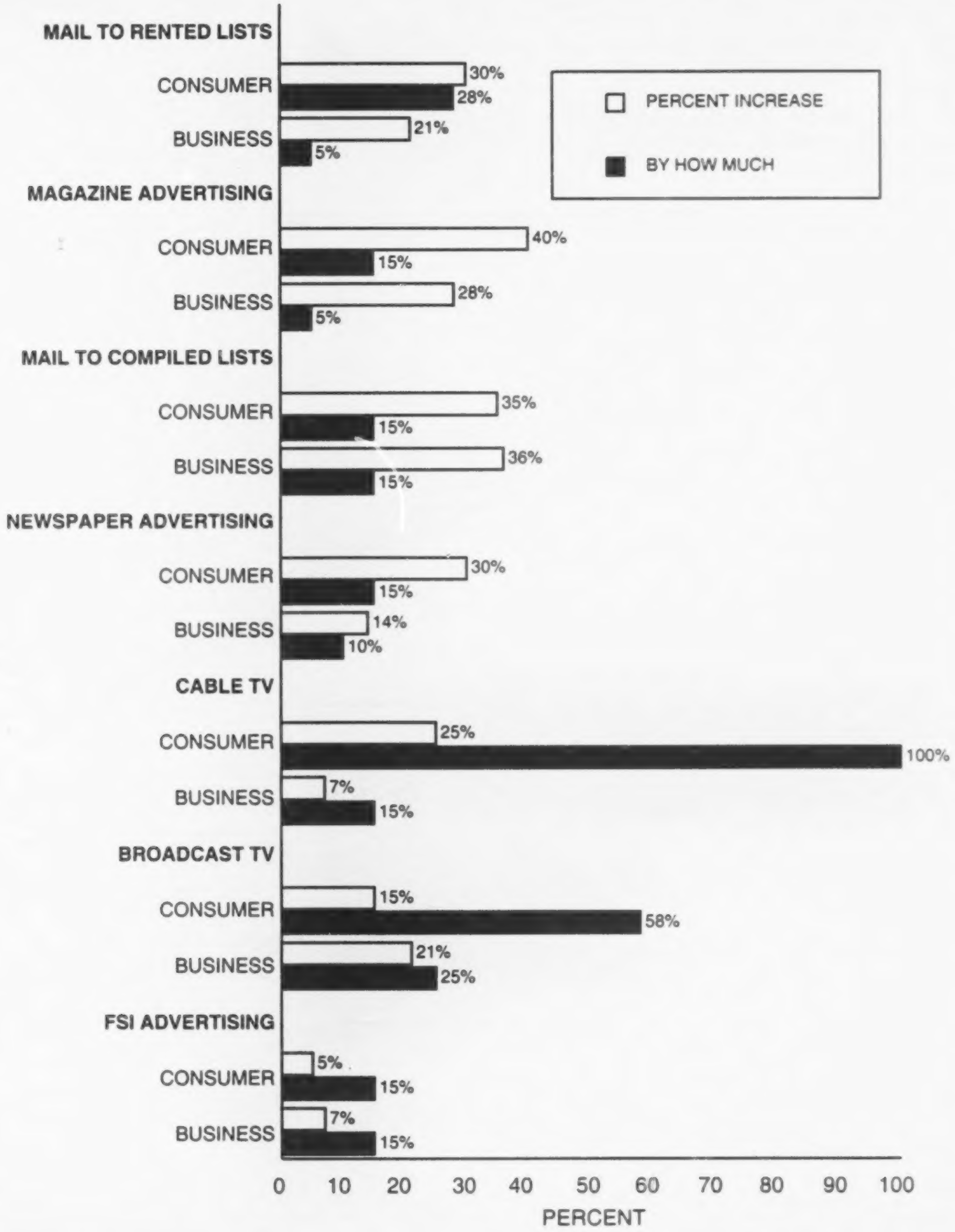
The Study of Media and Markets is a syndicated study based on a stratified multi-stage area probability sample of 19,373 adults in 1989, and 19,874 in 1990, interviewed between the months of July and June. The product usage and buying behavior data was gathered through self-administered questionnaires and personal interviews. The results (below) were then projected to reflect the entire U.S. adult population, estimated to be 178,193,000 in 1989 and 181,131,000 in 1990.

Where did you take or send your film for processing?



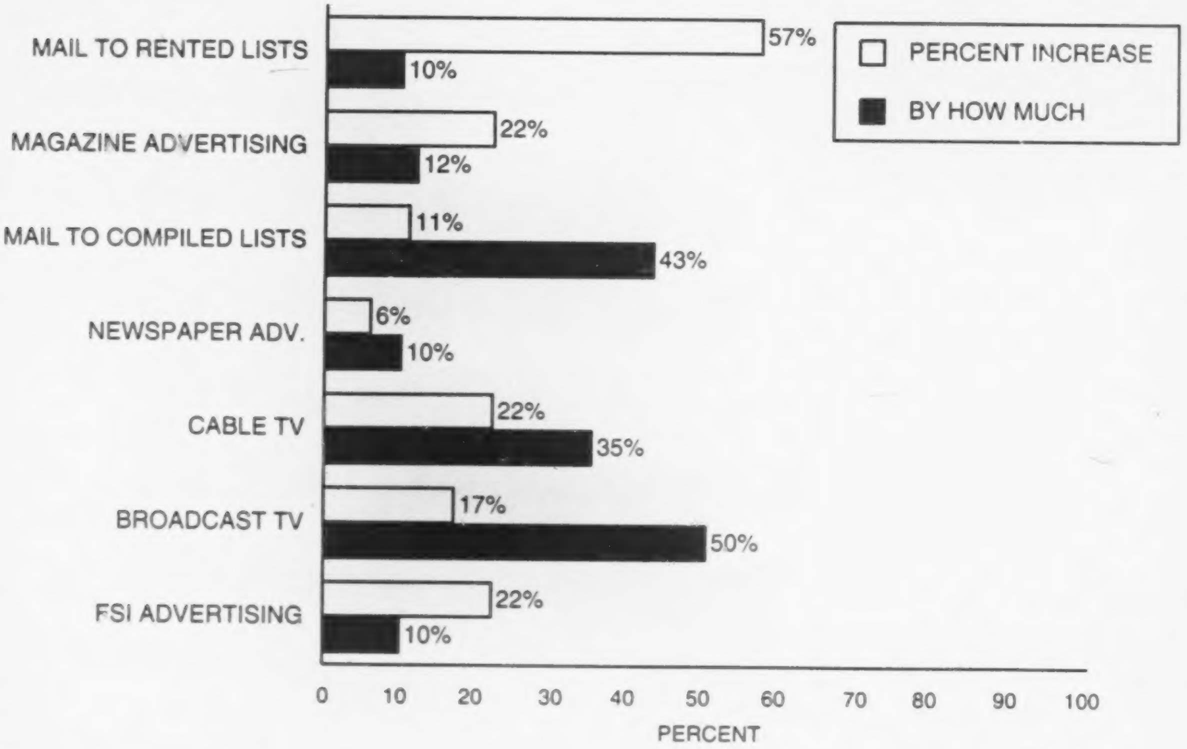
Source: Simmons Market Research Bureau: 1989, 1990 Study of Media and Markets.

PRODUCT AND SERVICE ADVERTISING EXPENDITURE EXPECTATIONS FOR 1991



Source: DMA Marketing Practices and Performance Survey, David Shepard and Associates, 1990

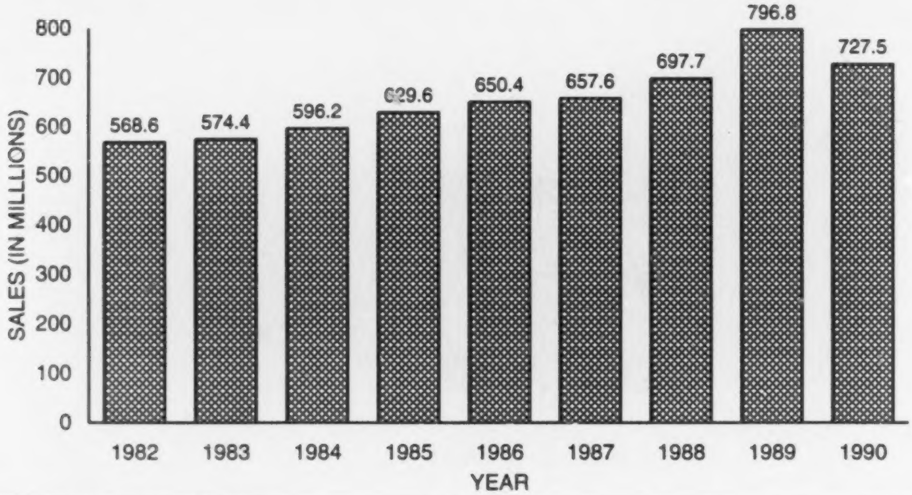
CLUBS AND CONTINUITY ADVERTISING EXPENDITURE EXPECTATIONS FOR 1991



Source: DMA Marketing Practices and Performance Survey, David Shepard and Associates, 1990

The Association of American Publishers' estimated book publishing industry sales are based on the U.S. Census of Manufacturers. This census is conducted every fifth year. Between censuses, the AAP estimates are "pushed forward" by the percentage changes that are reported to the AAP statistics program and by other industry data that are available.

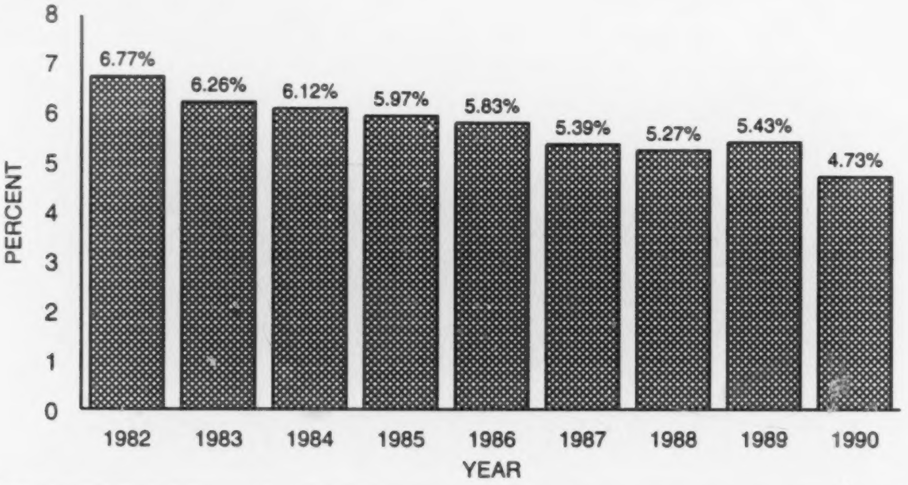
ESTIMATED BOOK PUBLISHING INDUSTRY SALES BY MAIL ORDER: 1982—1990



Source: Association of American Publishers, 1991.

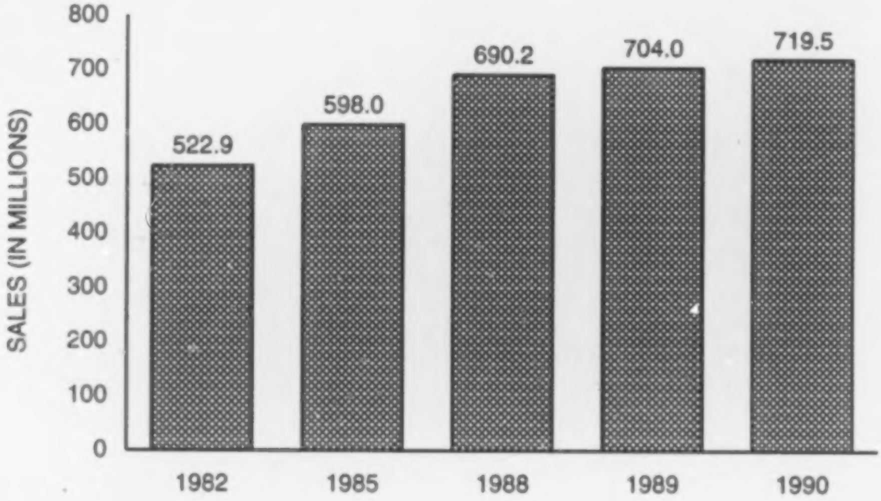
MAIL ORDER SALES AS PERCENTAGE OF TOTAL BOOK INDUSTRY SALES: 1982—1990

Although mail order sales have increased 27.9% from 1982 to 1990, overall book industry sales have risen at a more rapid rate. As a percentage of total book industry sales, mail order has actually decreased 30.1% from 1982 to 1990.



Source: Association of American Publishers, 1991.

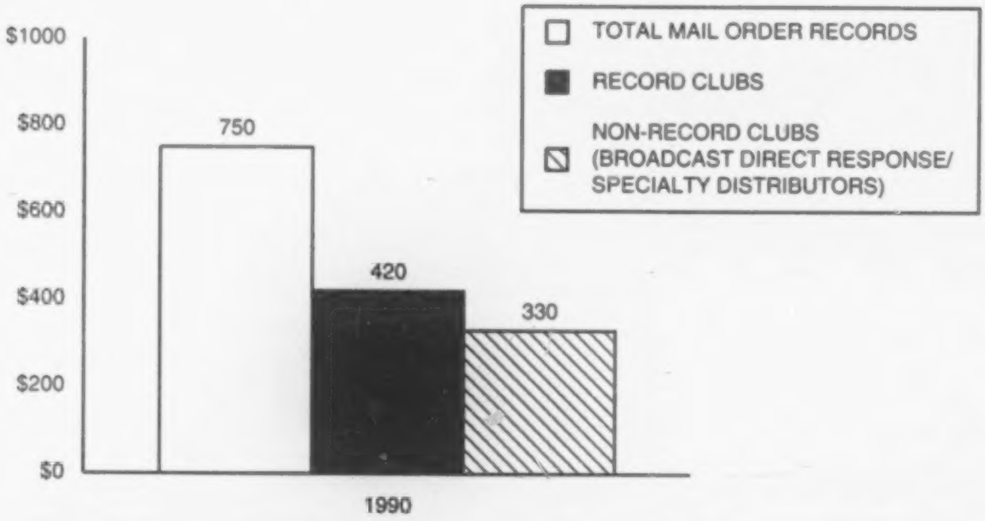
ESTIMATED BOOK PUBLISHING INDUSTRY SALES FOR BOOK CLUBS



Source: Association of American Publishers, 1991.

1990 MAIL ORDER RECORD MARKET SALES BY TOTALS AND SUB-SEGMENT

(IN MILLIONS)



Source: 1990 Guide To Mail Order Sales, Marketing Logistics.

SHARES OF CONSUMER BOOK UNIT SALES

Category	1985	1986	1987	1988	1989	1990
Trade	41.4%	41.9%	42.4%	43.1%	44.9%	46.0%
Religious	10.0	9.9	9.4	8.5	8.1	8.1
Book Clubs	9.7	9.4	8.9	8.0	7.1	6.9
Mail Order	9.1	9.2	9.4	9.8	10.0	9.1
Mass-Market Paperbacks	28.6	28.4	28.8	29.6	28.9	28.9
University Press	1.1	1.1	1.0	0.9	0.9	0.9
Subscription Reference	0.1	0.1	0.1	0.1	0.1	0.1

Source: Veronis, Suhler & Associates, Book Industry Study Group, Wilkofsky Gruen Associates, 1991.

UNIT SALES OF CONSUMER BOOKS
IN MILLIONS OF COPIES

Category	1985	1986	1987	1988	1989	1990
Trade	553	563	577	610	685	700
Religious	133	133	128	121	124	124
Book Clubs	130	126	121	112	109	105
Mail Order	121	124	128	138	152	138
Mass-Market Paperbacks	382	381	391	419	441	441
University Press	14	14	13	13	14	14
Subscription Reference	1	1	1	1	1	1
Total	1,334	1,342	1,359	1,414	1,526	1,523

Source: Veronis, Suhler & Associates, Book Industry Study Group, Wilkofsky Gruen Associates, 1991.

SUMMARY OF SPENDING ON CONSUMER BOOKS

	1985 ($ Millions)	1985–90 Compound Annual Growth (%)	1990 ($ Millions)	1990–95 Compound Annual Growth (%)	1995 ($ Millions)
Trade	$3,660	12.0%	$ 6,450	7.5%	$ 9,275
Religious	926	7.7	1,340	7.1	1,885
Book Clubs	581	3.8	700	4.4	870
Mail Order	650	2.9	750	5.7	990
Mass-Market Paperbacks	1,244	7.5	1,790	7.2	2,540
University Press	173	10.1	280	10.2	455
Subscription Reference	342	6.6	470	5.2	605
Total	7,576	9.2	11,780	7.1	16,620

Source: Veronis, Suhler & Associates, Book Industry Study Group, Wilkofsky Gruen Associates, 1991.

DIRECT MARKETING MANAGEMENT BASICS

- CUSTOMER SERVICE/FULFILLMENT
- PLANNING AND STRATEGY
- NEW TECHNOLOGY DEPLOYMENT
- USPS INFORMATION

• CUSTOMER SERVICE/ FULFILLMENT

COSTS

TRENDS

1990 CUSTOMER SERVICE/FULFILLMENT SALARIES

Crandall Associates, Inc. have determined the salaries by the following process: 1) Discussion with employers, from presidents to personnel officers, throughout the country, in companies varying in geographic areas, number of employees, and sales volume; 2) Personal interviews and discussions with the professionals in Direct Marketing at all salary levels, working from coast to coast; 3) Search assignments that have been received nationally, enabling Crandall Associates, Inc. to confirm the levels that prove to be effective in recruiting candidates from each experience range and serve as a double check on the figures.

Position Title and Description	Years Exp.	Base Salary Range (excluding benefits)		Leading Firms
CUSTOMER SERVICE MANAGER: Responsible for diplomatic, effective satisfaction of customer relations within company's guidelines.	1—3	$17,100	$18,900	$23,000
	4—7	$20,300	$24,700	$27,900
	7+	$25,300	$30,200	$32,500
DATA PROCESSING MANAGER: Responsible for the management information services and systems, design, analysis, and programming.	1—3	$36,000	$41,100	$45,800
	4—7	$43,100	$48,100	$52,100
	7+	$49,600	$54,700	$59,200
FULFILLMENT MANAGER/Magazine: Responsible for list maintenance, cashiering and order processing, billing and renewal scheduling.	1—3	$24,700	$27,700	$31,900
	4—7	$29,300	$34,200	$37,000
	7+	$35,700	$39,400	$45,100
FULFILLMENT MANAGER/Product: Supervises merchandise order entry and processing, customer service, inventory, and warehousing.	1—3	$32,800	$37,300	$41,000
	4—7	$38,900	$42,600	$46,900
	7+	$44,700	$49,400	$53,900
OPERATIONS DIRECTOR: In large organizations responsibilities include manufacturing, production, procedures, budgets, fulfillment.	1—3	$40,300	$45,500	$51,000
	4—7	$49,200	$54,000	$61,500
	7+	$59,000	$67,500	$72,000

Source: Crandall Associates, Inc. 1990.

TOP FIVE MAJOR BUSINESS CATEGORIES GENERATING CONSUMER COMPLAINTS: 1990

The Better Business Bureaus (BBBs) in the United States handled nearly 10.7 million consumer inquiries and complaints in 1990.

Major Business Categories	Numbers of Complaints*	Aggregate Settlement Rate†
Home Improvement/Remodeling Companies	33,140	56.9%
Service Firms (except auto)	30,690	65.7%
Ordered Product Sales#	29,840	80.3%
Vehicle Dealers	18,230	72.7%
Auto Repairs and Services	17,290	67.4%

*Complaints which a bureau brings to the attention of a business (either orally or in writing) for the purpose of eliciting its response.

†Aggregate Settlement Rate—percentage of complaints that consumers stated were handled to their satisfaction.

#The Better Business Bureaus use the term "Ordered Product Sales" to indicate orders placed by mail or telephone.

Source: Council of Better Business Bureaus, 1991.

SUMMARY OF BETTER BUSINESS BUREAU ACTIVITY FOR ORDERED PRODUCT SALES: 1990

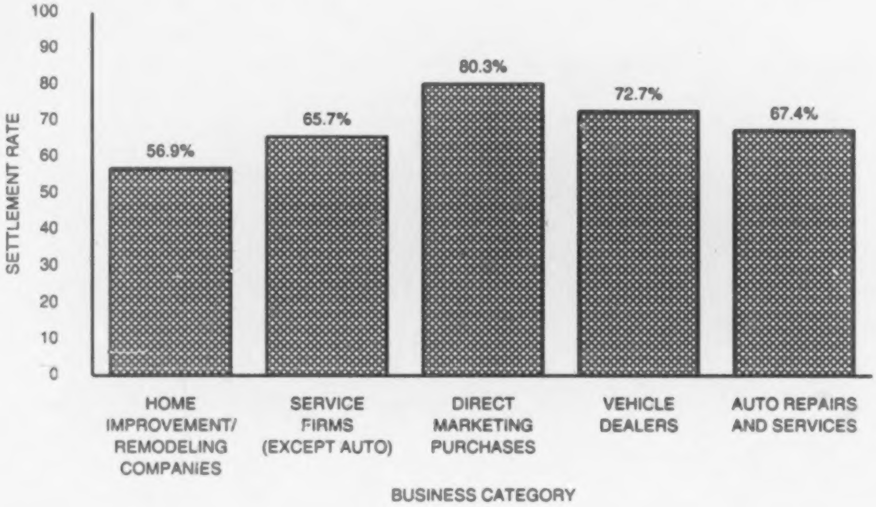
ORDERED PRODUCT SALES*	REPORTS REQUESTED†	COMPLAINTS PRESENTED	SETTLEMENT INDEX
Book/Record/Tape Clubs	5,190	1,940	86.1
Catalog sales	33,570	5,700	79.3
Mail order companies, not catalog	62,260	7,170	69.0
Ordered via newspaper/magazine ad	18,570	4,270	78.0
Magazine subscriptions by mail	19,240	3,940	82.5
Magazine subscriptions by telephone	11,100	740	74.3
Television Home Shopping Services	4,240	350	88.6
Ordered by radio/tv ad	9,030	2,590	95.8
Other ordered product sales	31,370	3,140	69.1

*The Better Business Bureaus use the term "Ordered Product Sales" to indicate orders placed by mail or telephone.

†Reports Requested—any request made to a Better Business Bureau, including requests for general information about a company, checking on a company's reliability, general counseling, etc.

Source: Council of Better Business Bureaus, 1991.

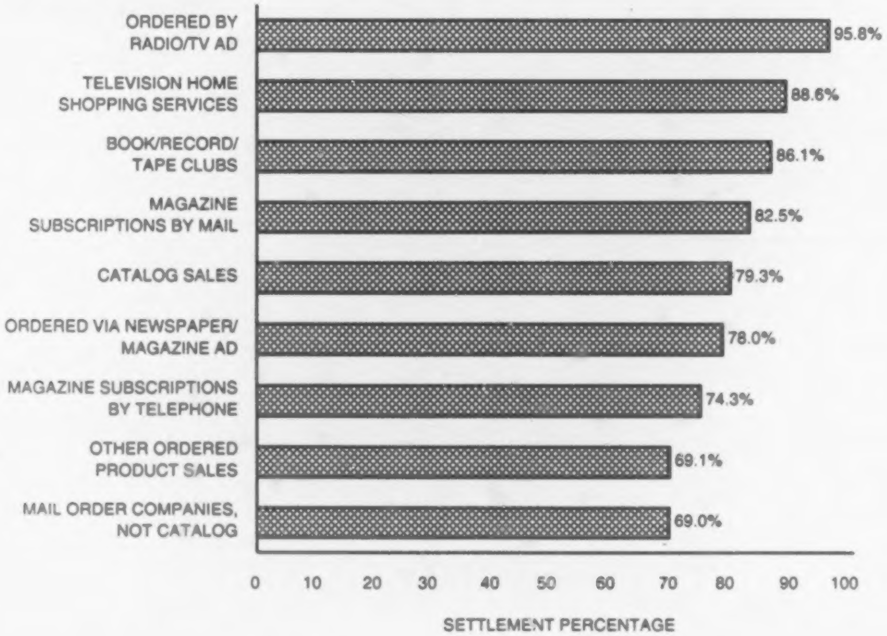
SETTLEMENT RATES* AMONG MOST COMPLAINED-ABOUT BUSINESS CATEGORIES



*Settlement rates refer to the percentage of complaints that consumers stated were handled to their satisfaction.

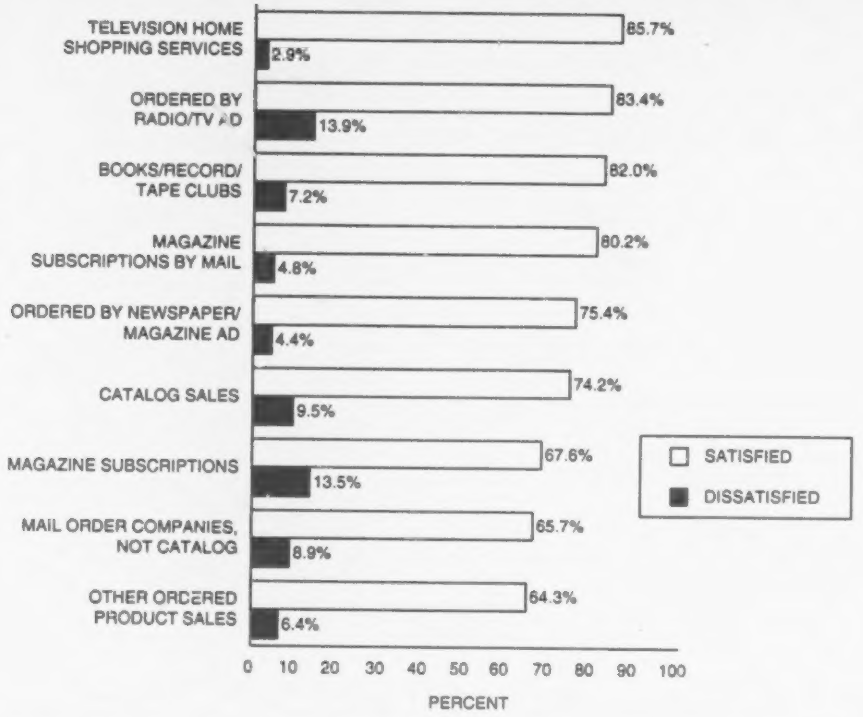
Source: Council of Better Business Bureaus, 1991.

AGGREGATE SETTLEMENT RATES WITHIN DIRECT MARKETING



Source: Council of Better Business Bureaus, 1991.

ORDERED PRODUCT SALES COMPLAINTS: SATISFACTION RATINGS*

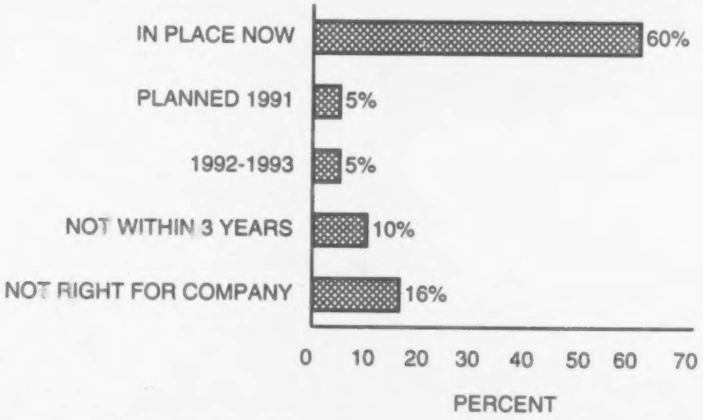


*Satisfaction ratings are determined by complainants' reactions to how a company responded to their complaint.

Source: Council of Better Business Bureaus, 1991.

COMPANY STANDING ON SAME DAY/NEXT DAY FULFILLMENT

The majority of respondents have same day/next day fulfillment in place at their company.



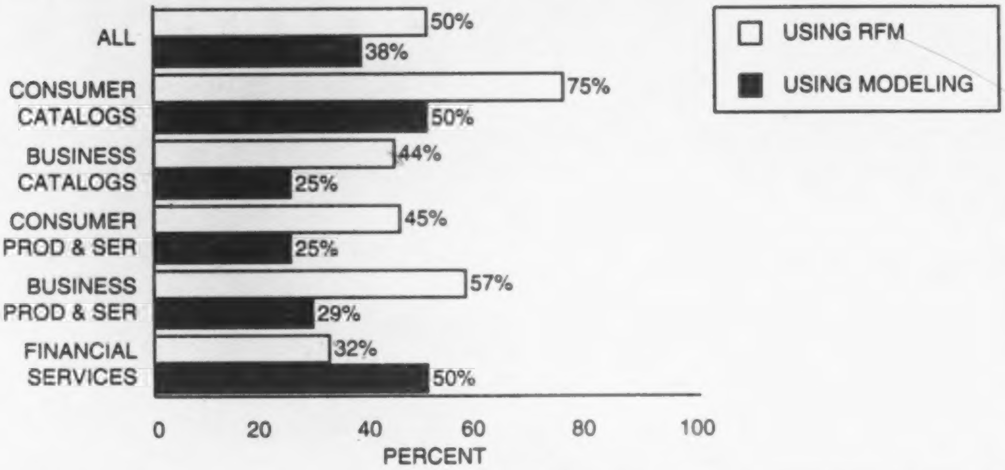
Source: DMA Marketing Practices and Performance Survey, David Shepard and Associates, 1990.

• PLANNING AND STRATEGY

TRENDS

WHO'S USING RFM AND WHO'S USING MODELING

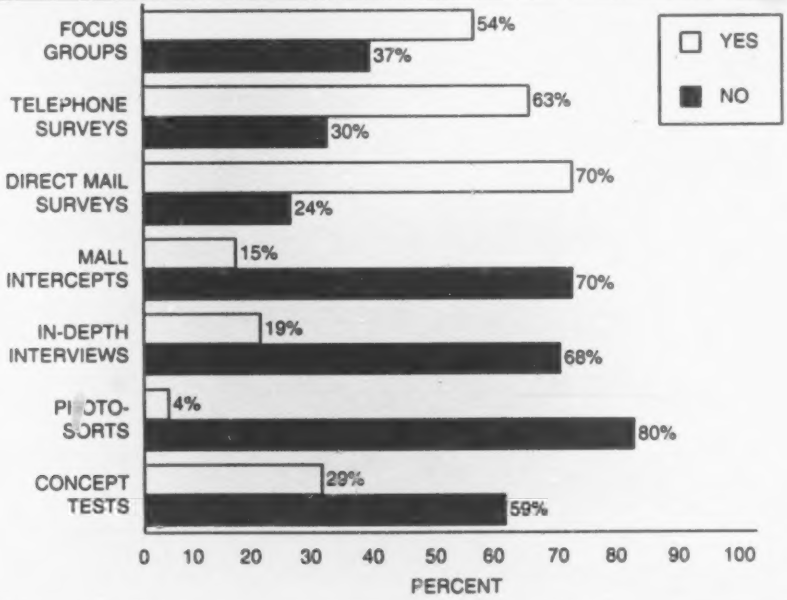
By business category, a higher proportion of respondents use RFM than modeling, with the exception being Financial Services.



Source: DMA Marketing Practices and Performance Survey, David Shepard and Associates, 1990.

RESEARCH TECHNIQUES USED BY RESPONDENTS FOR NEW CUSTOMER ACQUISITION

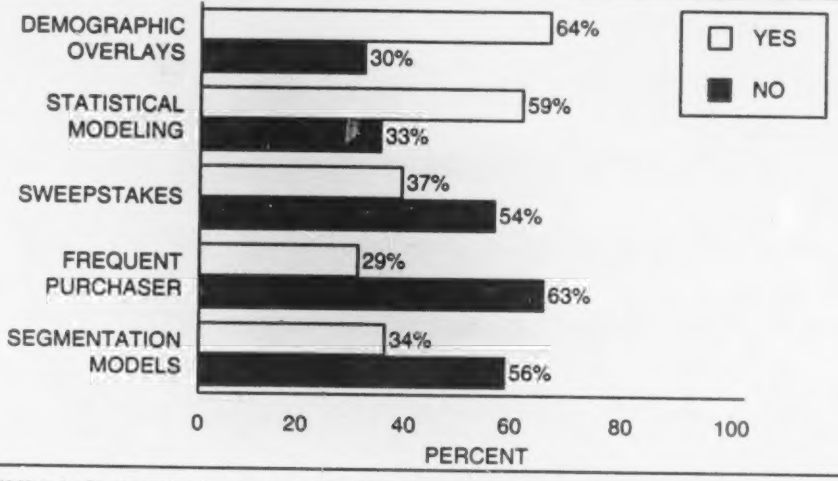
Direct mail survey is the most frequently used research technique for new customer acquisition, followed by telephone surveys and focus groups.



Source: DMA Marketing Practices and Performance Survey, David Shepard and Associates, 1990.

USAGE OF THE FOLLOWING TECHNIQUES TO IMPROVE RESPONSE RATES OF CUSTOMER MAILINGS

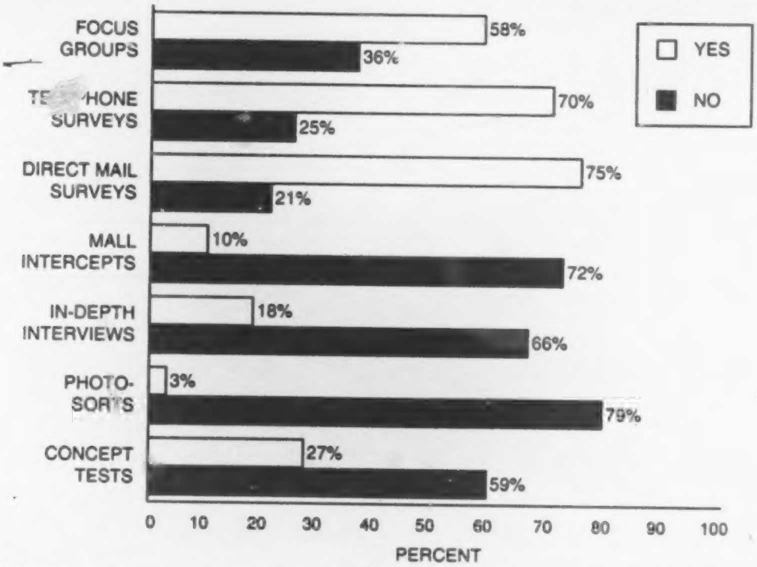
The majority of respondents have used demographic overlays and statistical modeling to improve response rates.



Source: DMA Marketing Practices and Performance Survey, David Shepard and Associates, 1990.

RESEARCH TECHNIQUES USED BY RESPONDENTS FOR CURRENT CUSTOMERS

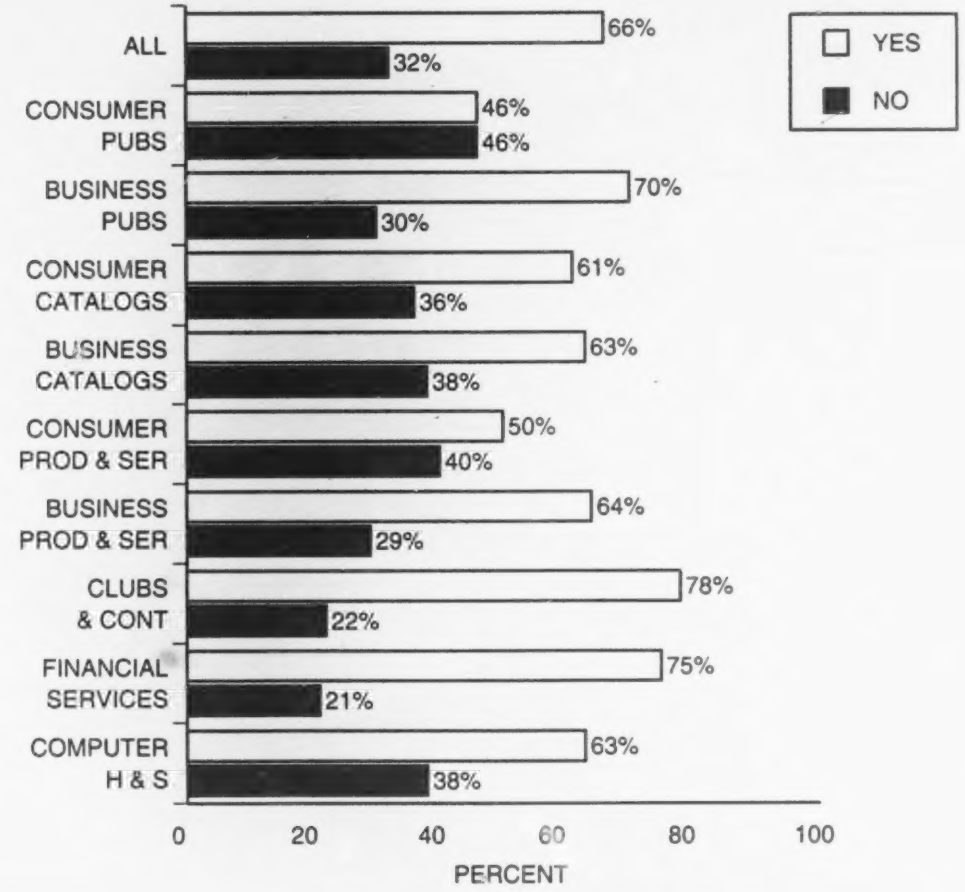
Again, direct mail surveys was the method of choice among three-quarters of respondents, followed closely by telephone surveys. Focus groups was the third most frequently used research technique for current customers.



Source: DMA Marketing Practices and Performance Survey, David Shepard and Associates, 1990

WHETHER RESPONDENTS HAVE A FORMAL, WRITTEN STRATEGIC PLAN WITH GOALS FOR SHARE OF MARKET AND FINANCIAL GROWTH

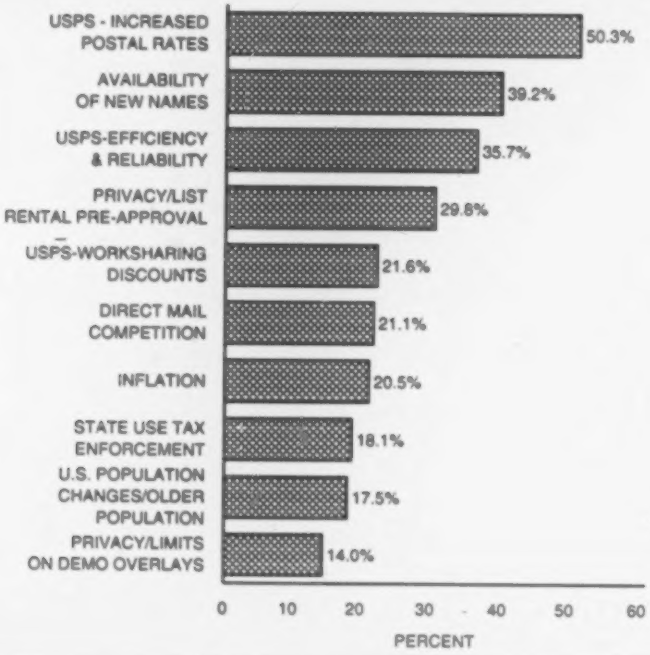
In most cases, 50% or more of respondents indicate having a formal written strategic plan.



Source: DMA Marketing Practices and Performance Survey, David Shepard and Associates, 1990.

EXTERNAL FACTORS HAVING THE GREATEST IMPACT

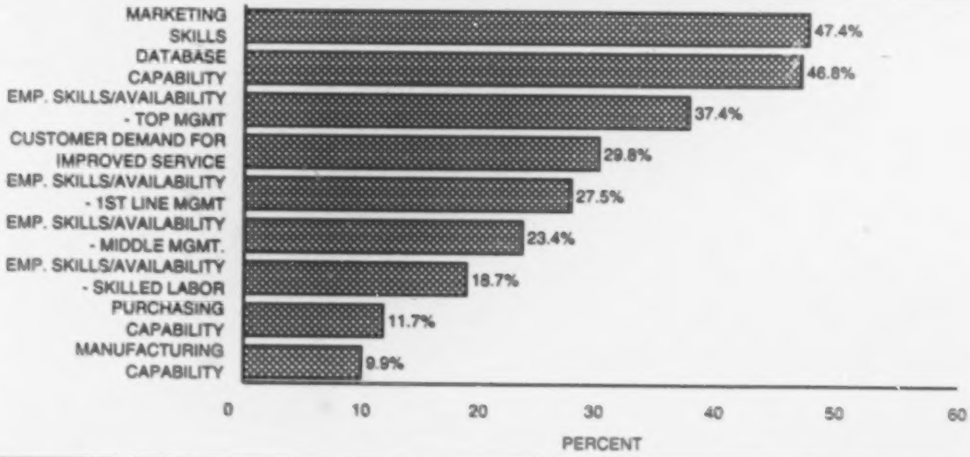
Survey respondents were asked to rank the impact of several external factors on their businesses. The following chart indicates respondents' views by those areas ranked of the greatest impact on a scale of 1 to 5 where 1 = great impact.



Source: DMA Marketing Practices and Performance Survey, David Shepard and Associates, 1990.

INTERNAL FACTORS HAVING THE GREATEST IMPACT

Survey respondents were asked to rank the impact of the following internal factors on their businesses. The following chart indicates respondent's views by those areas ranked of the greatest impact on a scale of 1 to 5 where 1 = great impact.



Source: DMA Marketing Practices and Performance Survey, David Shepard and Associates, 1990.

• NEW TECHNOLOGY DEPLOYMENT

TRENDS

NEW TECHNOLOGY DEPLOYMENT/TRENDS

The Impact of Technology on Direct Marketing in the 1990s was conducted by Deloitte & Touche (commissioned by DMA) in 1990 to provide an overview of the technologies most likely to affect the business of direct marketing over the next five years. A comprehensive survey was mailed to nearly 2,000 DMA members to help gauge the field's use and plans for dozens of current technologies. In addition, extensive secondary research was conducted, and key vendors and outside experts were interviewed.

TECHNOLOGY IMPLEMENTATION AND PLANS BY PRIMARY MARKET

NOTE: Respondents were allowed to indicate more than one

		CONSUMER		BUSINESS-TO-BUSINESS	
	Technology	Now In Place	Within 5 Yrs.	Now In Place	Within 5 Years
1.	Mainframe computing	■	■	■	■
2.	Minicomputer usage	▲	▲	▲	▲
3.	Local area networks	▲	▲	▲	▲
4.	Fault – tolerant computing	▼	▼	▼	▼
5.	Parallel processing	▼	■	■	■
6.	CD-ROM	▼	■	■	■
7.	Relational database	▲	▲	■	▲
8.	Data compression	■	■	■	■
9.	Expert systems	▼	■	▼	▼
10.	4GL query capability	▼	■	■	■
11.	Predictive modeling/scoring	■	▲	■	■
12.	Merchandise forecasting algorithms	■	■	■	■
13.	Desktop publishing–creative	▲	▲	▲	▲
14.	Desktop publishing–production	■	▲	▲	▲
15.	Digital imaging	▼	■	■	▲
16.	Electronic prepress	▼	■	■	■
17.	Selective binding	■	■	▼	■
18.	Selective inserting	■	■	▼	■
19.	Ink jet imaging	■	■	■	■
20.	Envelope barcoding	■	▲	■	■
21.	800-service	▲	▲	▲	▲
22.	900-service	▼	■	▼	▼
23.	Digital switching	■	■	■	■
24.	Predictive dialing	▼	▼	▼	▼
25.	Interactive voice response	■	■	▼	▼
26.	Automatic Number Identification	▼	■	▼	▼
27.	Public access kiosks	▼	▼	▼	▼
28.	Interactive home shopping	▼	▼	▼	▼
29.	Bar coding–fulfillment	■	■	■	■
30.	Bar-code scanning	■	▲	■	■
31.	Radio Frequency technology–fulfillment	▼	▼	▼	▼
32.	Carton sizing algorithms	▼	▼	▼	▼
33.	Paperless manifesting	▼	■	▼	■
34.	Electronic Data Interchange	▼	■	■	■
35.	Electronic funds transfer	■	▲	■	■
36.	Smart cards	▼	▼	▼	▼
37.	Robotics–fulfillment	▼	▼	▼	▼

▼ Low (0 – 19%)

■ Moderate (20 – 49%)

▲ High (over 50%)

Source: DMA/Deloitte & Touche: The Impact of Technology on Direct Marketing in the 1990s, 1990.

TECHNOLOGY IMPLEMENTATION AND PLANS BY PRIMARY DIRECT MARKETING VEHICLE

▼ Low (0 – 19%)

■ Moderate (20 – 49%)

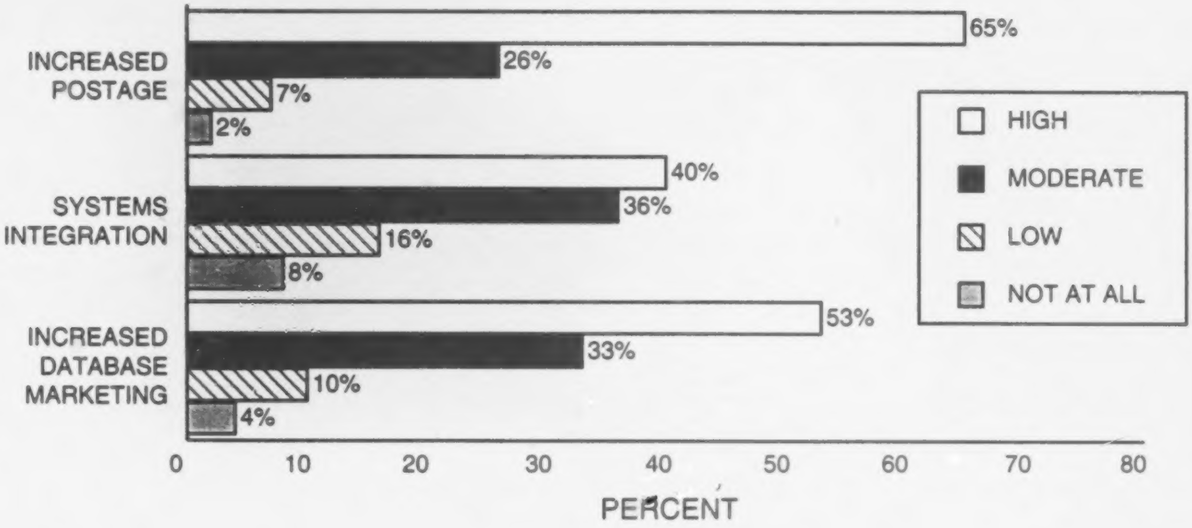
▲ High (over 50%)

NOTE: Respondents were allowed to indicate more than one

		CATALOG		TELEMARKETING		DIR. RESPONSE ADVERTISING	
	Technology	Now in Place	Within 5 Yrs.	Now in Place	Within 5 Years	Now in Place	Within 5 Years
1.	Mainframe computing	■	■	■	■	■	■
2.	Minicomputer usage	▲	▲	■	■	▲	▲
3.	Local area networks	■	▲	■	■	▲	▲
4.	Fault – tolerant computing	▼	▼	▼	▼	▼	▼
5.	Parallel processing	▼	■	■	■	▼	■
6.	CD-ROM	▼	■	■	■	▼	■
7.	Relational database	■	▲	▲	▲	▲	▲
8.	Data compression	■	■	■	■	■	■
9.	Expert systems	▼	■	▼	■	▼	■
10.	4GL query capability	▼	■	▼	■	▼	■
11.	Predictive modeling/scoring	■	■	■	■	■	■
12.	Merchandise forecasting algorithms	■	■	▼	■	▼	■
13.	Desktop publishing–creative	■	▲	▲	▲	▲	▲
14.	Desktop publishing–production	■	▲	■	▲	■	▲
15.	Digital imaging	■	■	■	■	■	■
16.	Electronic prepress	■	▲	▼	■	▼	■
17.	Selective binding	■	■	▼	■	▼	■
18.	Selective inserting	■	■	■	■	■	■
19.	Ink jet imaging	■	▲	■	■	■	■
20.	Envelope barcoding	■	▲	■	■	■	▲
21.	800-service	▲	▲	▲	▲	▲	▲
22.	900-service	▼	▼	▼	■	▼	▼
23.	Digital switching	■	■	■	■	■	■
24.	Predictive dialing	▼	▼	▼	▼	▼	▼
25.	Interactive voice response	■	■	■	■	■	■
26.	Automatic Number Identification	▼	▼	▼	■	▼	▼
27.	Public access kiosks	▼	▼	▼	▼	▼	▼
28.	Interactive home shopping	▼	▼	▼	▼	▼	▼
29.	Bar coding–fulfillment	■	▲	■	■	■	■
30.	Bar-code scanning	■	▲	■	■	■	■
31.	Radio Frequency technology–fulfillment	▼	▼	▼	▼	▼	▼
32.	Carton sizing algorithms	▼	▼	▼	▼	▼	▼
33.	Paperless manifesting	▼	■	▼	■	▼	■
34.	Electronic Data Interchange	■	■	▼	■	▼	■
35.	Electronic funds transfer	■	▲	■	■	■	■
36.	Smart cards	▼	▼	▼	▼	▼	▼
37.	Robotics–fulfillment	▼	▼	▼	▼	▼	▼

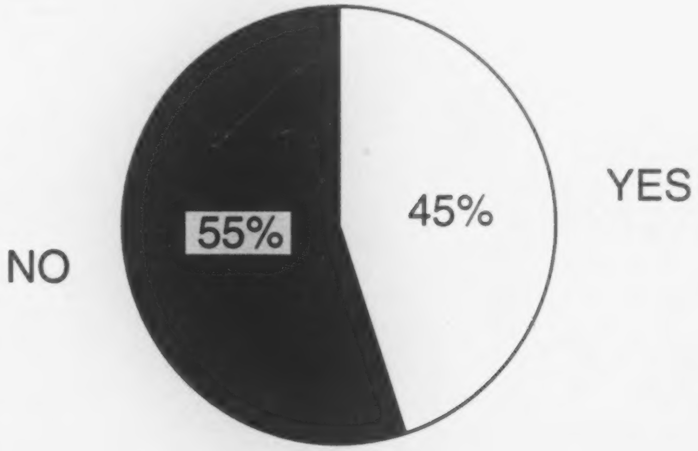
Source: DMA/Deloitte & Touche: The Impact of Technology on Direct Marketing in the 1990s, 1990.

IMPACT OF SELECTED ISSUES ON DECISION TO ACQUIRE OR USE NEW TECHNOLOGIES



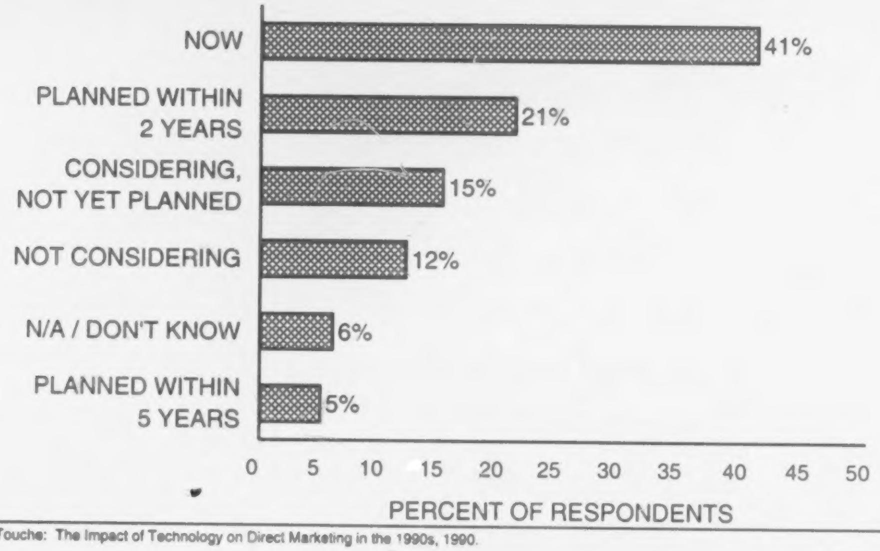
Source: DMA/Deloitte & Touche: The Impact of Technology on Direct Marketing in the 1990s, 1990.

COMPLIANCE WITH USPS ZIP + 4 CODING



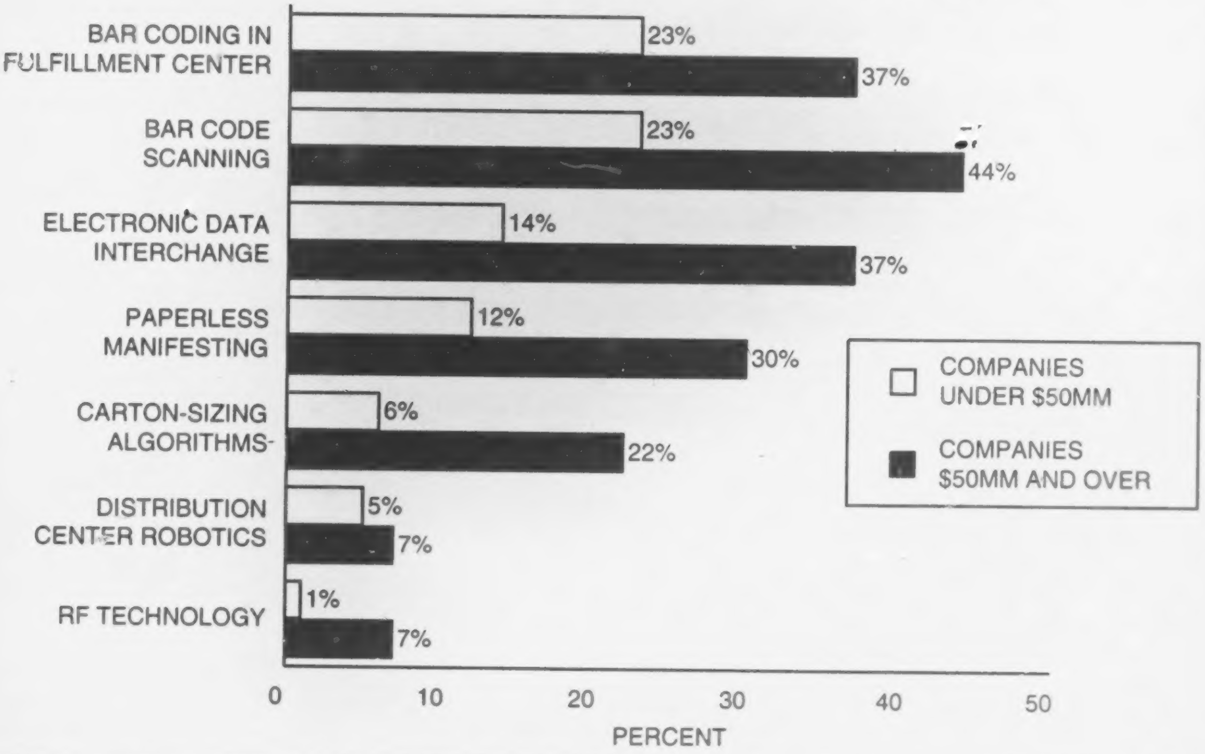
Source: DMA/Deloitte & Touche: The Impact of Technology on Direct Marketing in the 1990s, 1990.

ENVELOPE BARCODING STATUS



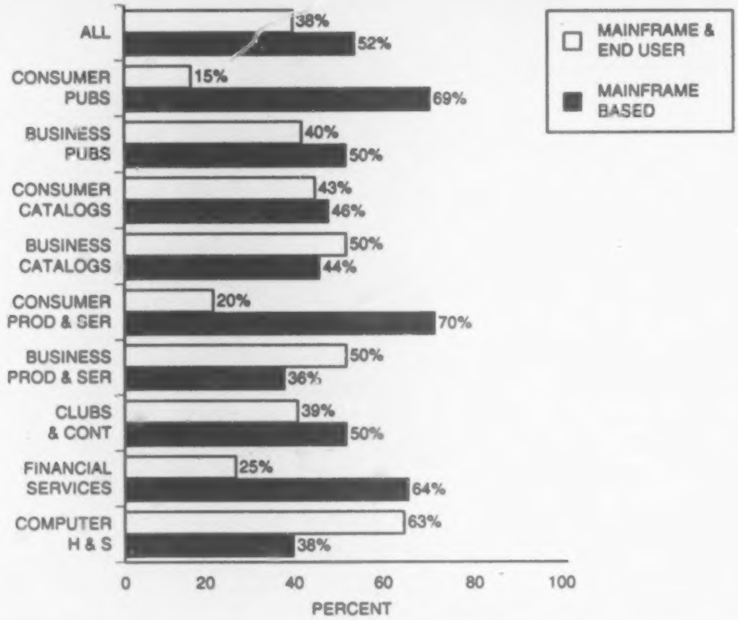
Source: DMA/Deloitte & Touche: The Impact of Technology on Direct Marketing in the 1990s, 1990.

CURRENT IMPLEMENTATION OF SELECT TECHNOLOGY APPLICATIONS



Source: DMA/Deloitte & Touche: The Impact of Technology on Direct Marketing in the 1990s, 1990.

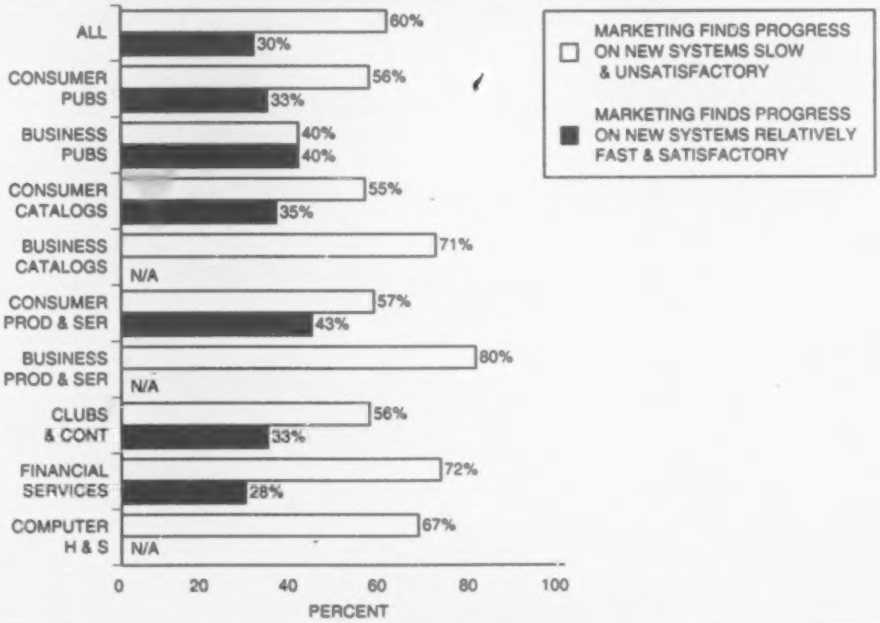
STATE OF THE DP SYSTEMS THAT SUPPORT RESPONDENT'S FULFILLMENT, CUSTOMER SERVICE AND MARKETING INFORMATION SYSTEMS



Source: DMA Marketing Practices and Performance Survey, David Shepard and Associates, 1990.

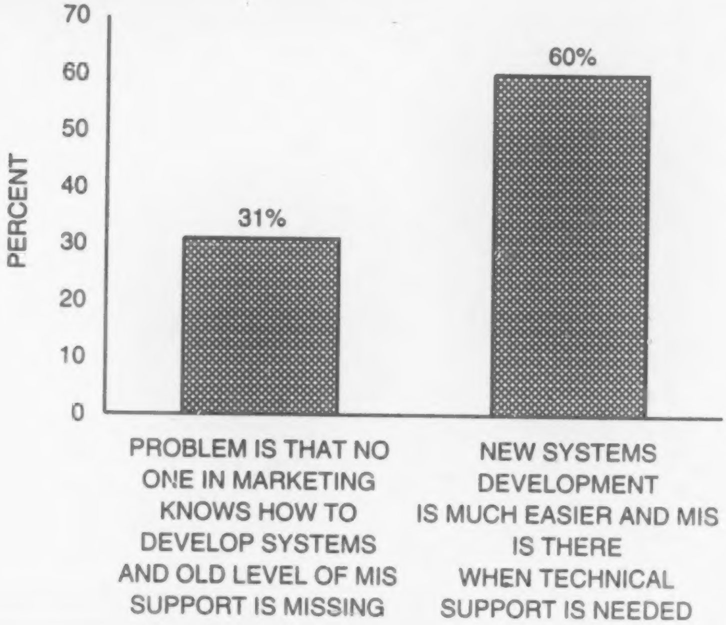
MARKETERS VIEWS ON PROGRESS WITH NEW SYSTEMS

In almost all cases, over half of respondents indicated that progress on new systems is slow and unsatisfactory.



Source: DMA Marketing Practices and Performance Survey, David Shepard and Associates, 1990.

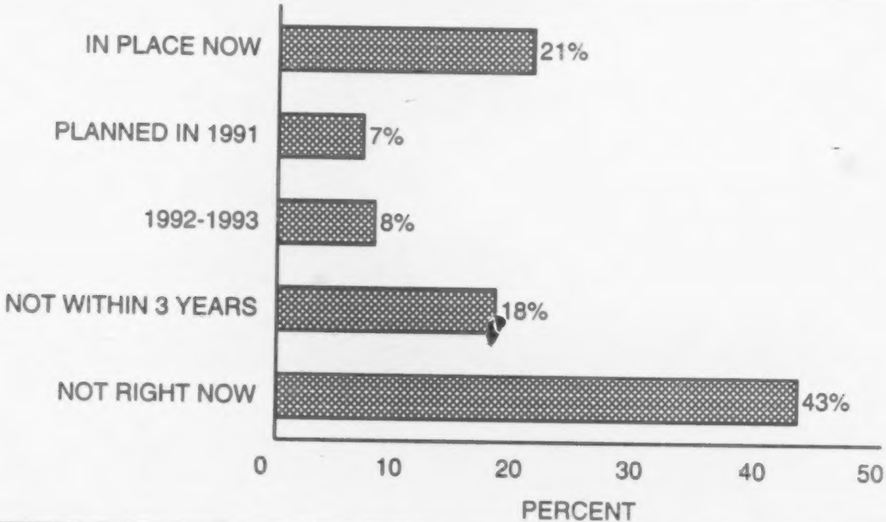
PROGRESS VIEWS IN FIRMS THAT HAVE MAINFRAMES BUT ALSO SUBSTANTIAL END USER COMPUTING



Source: DMA Marketing Practices and Performance Survey, David Shepard and Associates, 1990.

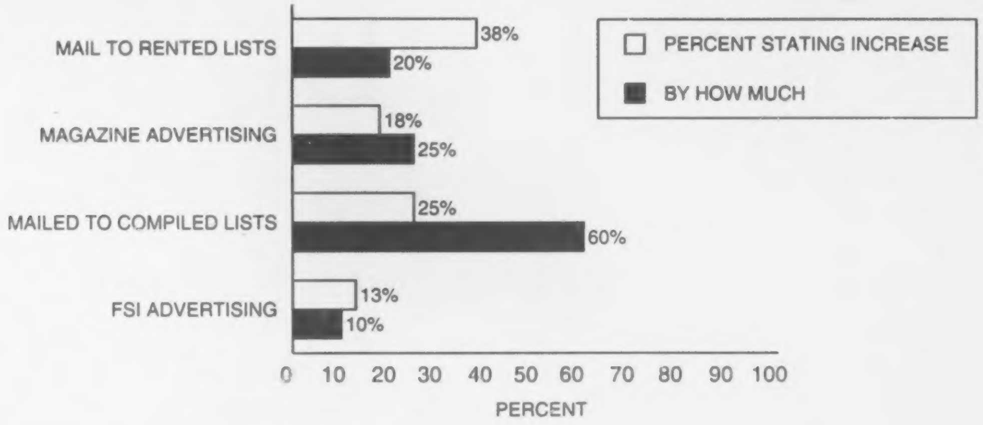
COMPANY STANDING ON INTERACTIVE VOICE SYSTEMS

The highest proportion of respondents, 43%, indicated that interactive voice systems was not right for their company.



Source: DMA Marketing Practices and Performance Survey, David Shepard and Associates, 1990.

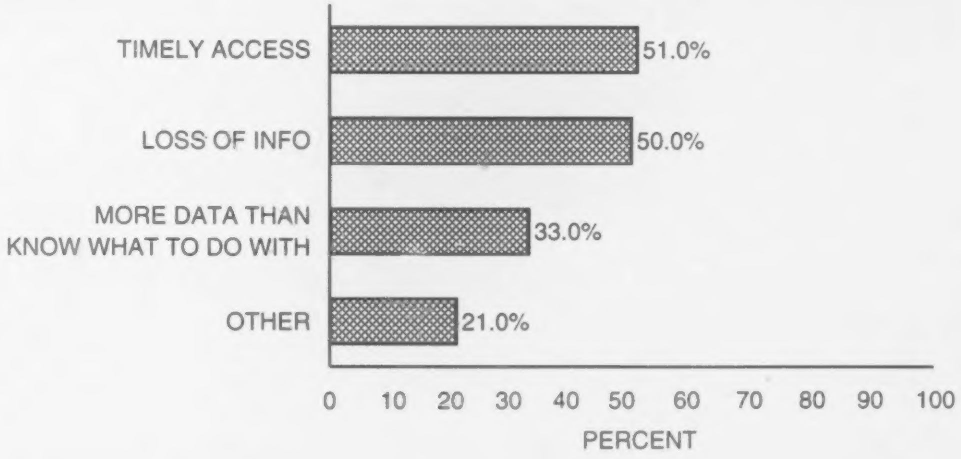
COMPUTER HARDWARE AND SOFTWARE ADVERTISING EXPENDITURE EXPECTATIONS FOR 1991



Source: DMA Marketing Practices and Performance Survey, David Shepard and Associates, 1990.

OBSTACLES RESPONDENTS FACE IN EFFECTIVELY USING THE INFORMATION IN THEIR DATABASE

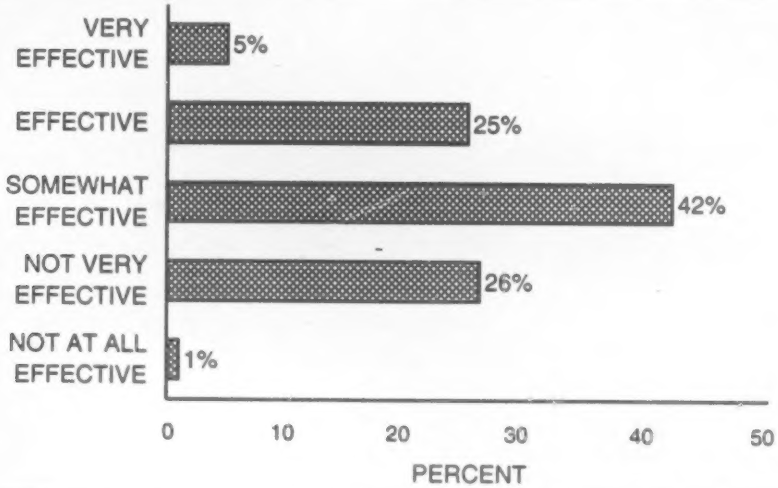
The obstacles approximately half of respondents face in using their database are timely access and losing information.



Source: DMA Marketing Practices and Performance Survey, David Shepard and Associates, 1990.

EFFECTIVENESS OF USING INFORMATION IN DATABASE

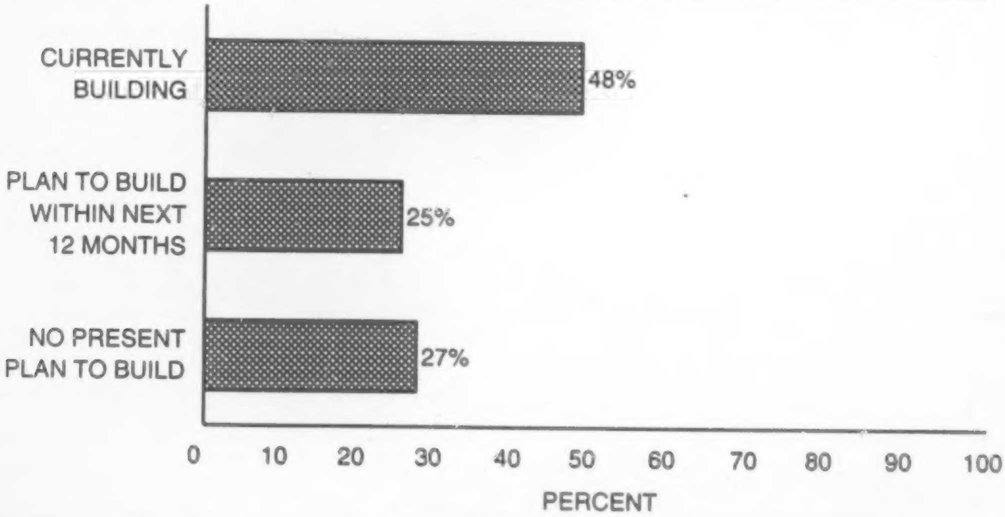
The highest proportion of respondents indicated their company was "somewhat effective" in using all of the marketing information contained in their marketing database.



Source: DMA Marketing Practices and Performance Survey, David Shepard and Associates, 1990.

CONSUMER DATABASE INVOLVEMENT: 1990

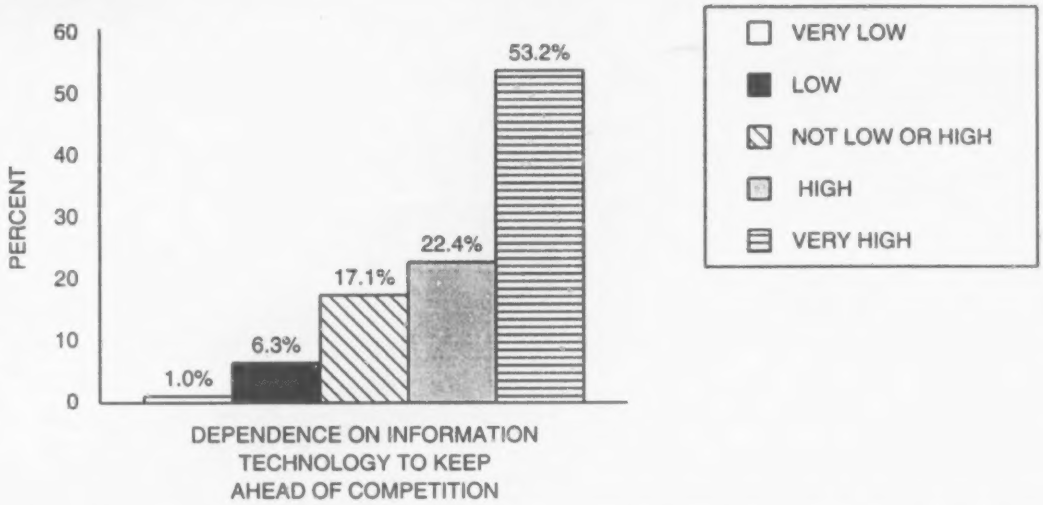
Those respondents indicating they are currently building a database or plan to build one within the next 12 months suggests some degree of involvement in database marketing among three-fourths of the firms surveyed.



Source: Donnelley Marketing Thirteenth Annual Survey of Promotional Practices, 1991.

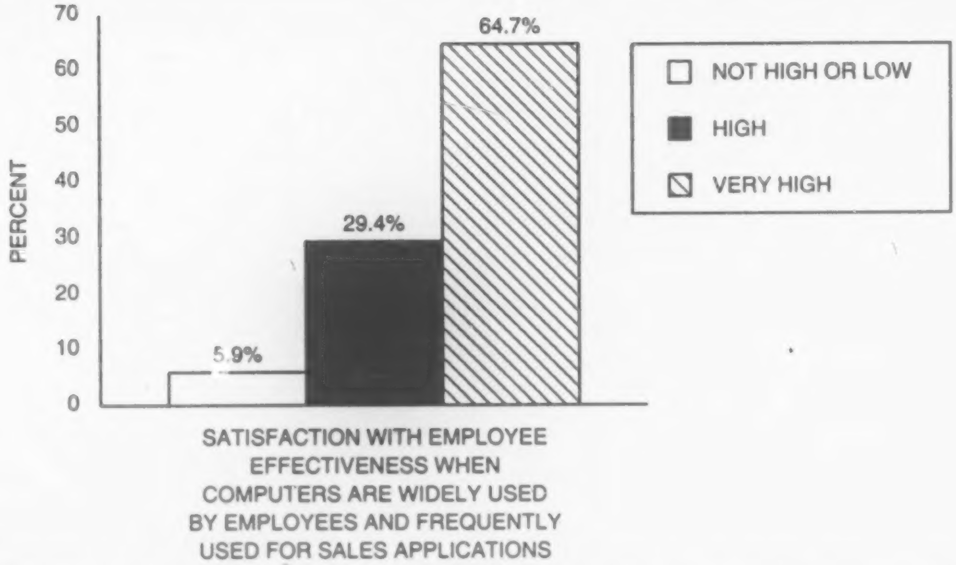
The Impact of Information Technology — DMA Member Survey was conducted among 1,800 DMA members in 1989 to gauge the effectiveness of information technology currently in use by respondents. An 11.5% response was achieved.

DEPENDENCE ON INFORMATION TECHNOLOGY TO KEEP AHEAD OF COMPETITION



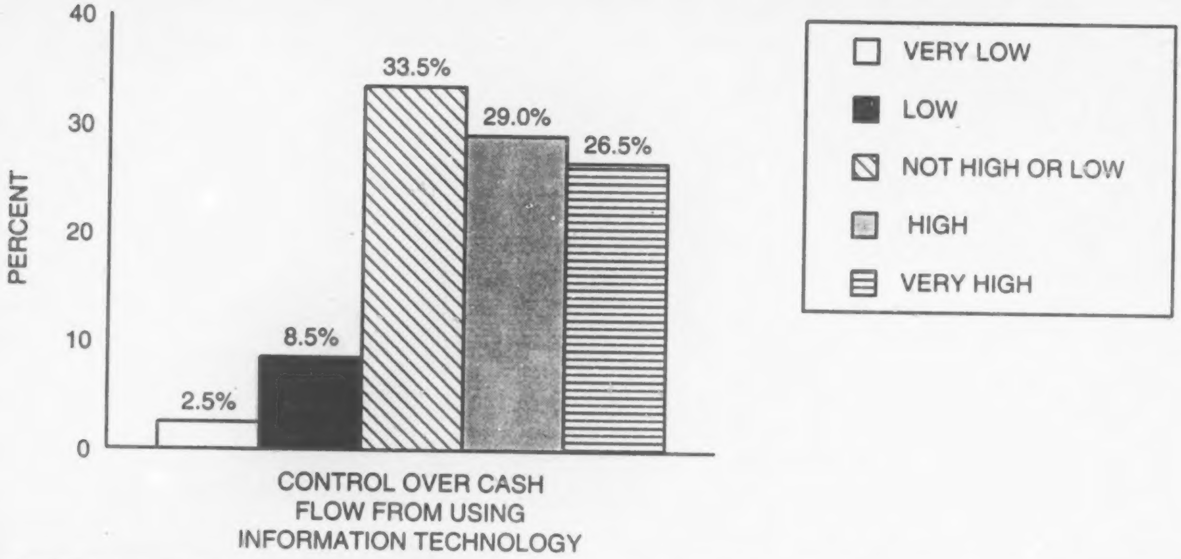
Source: DMA Information Technology Survey, Kole Associates, 1989.

SATISFACTION WITH EMPLOYEE EFFECTIVENESS WHEN COMPUTERS ARE WIDELY USED BY EMPLOYEES AND FREQUENTLY USED FOR SALES APPLICATIONS



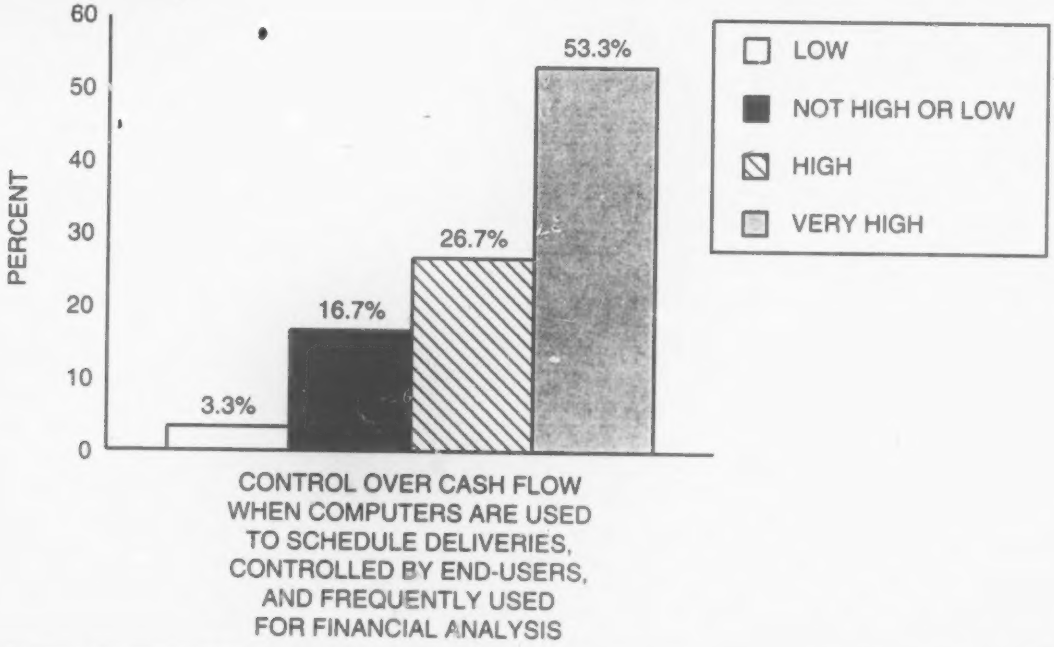
Source: DMA Information Technology Survey, Kole Associates, 1989.

CONTROL OVER CASH FLOW FROM USING INFORMATION TECHNOLOGY



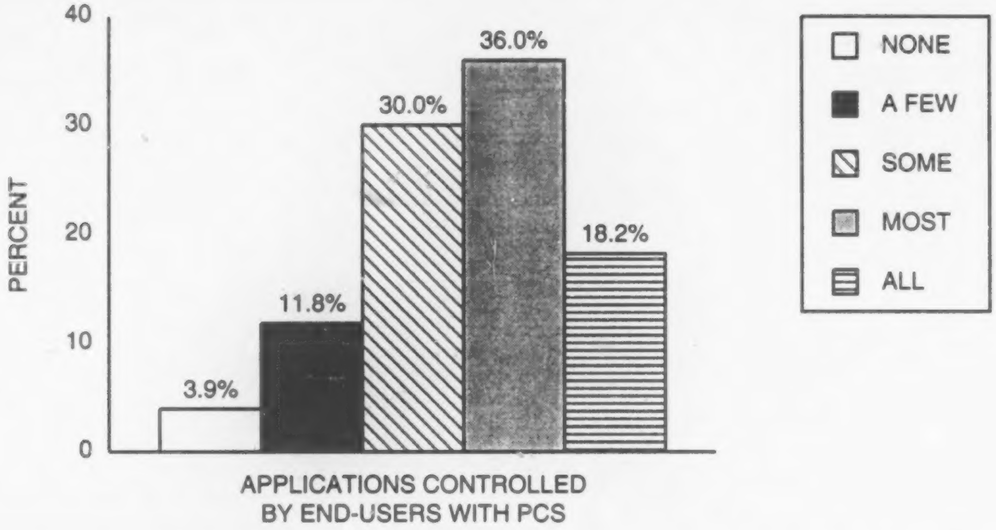
Source: DMA Information Technology Survey, Kole Associates, 1989.

CONTROL OVER CASH FLOW WHEN COMPUTERS ARE USED TO SCHEDULE DELIVERIES, CONTROLLED BY END-USERS, AND FREQUENTLY USED FOR FINANCIAL ANALYSIS



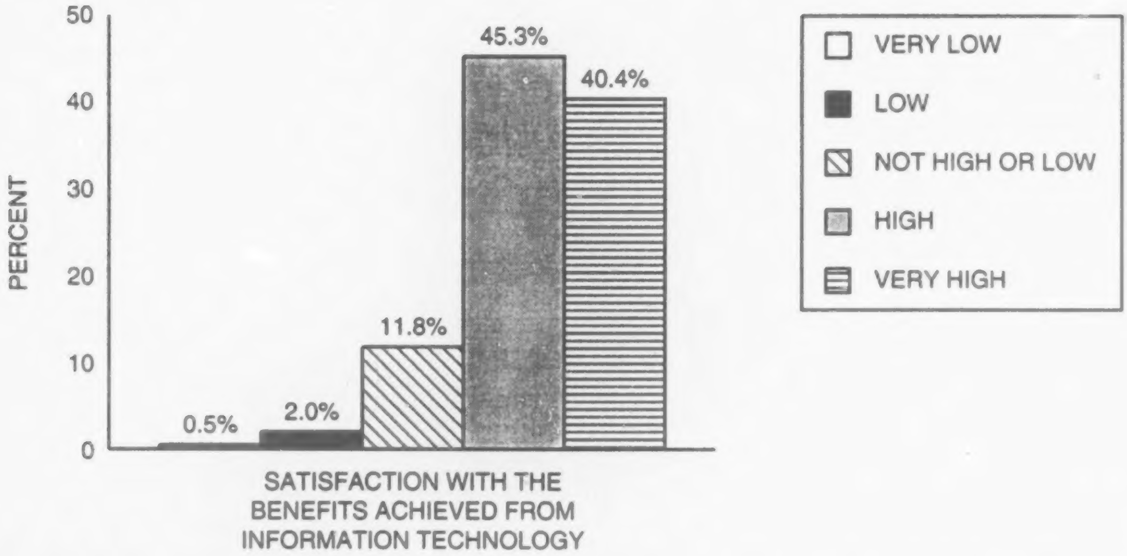
Source: DMA Information Technology Survey, Kole Associates, 1989.

APPLICATIONS CONTROLLED BY END-USERS WITH PCs



Source: DMA Information Technology Survey, Kole Associates, 1989.

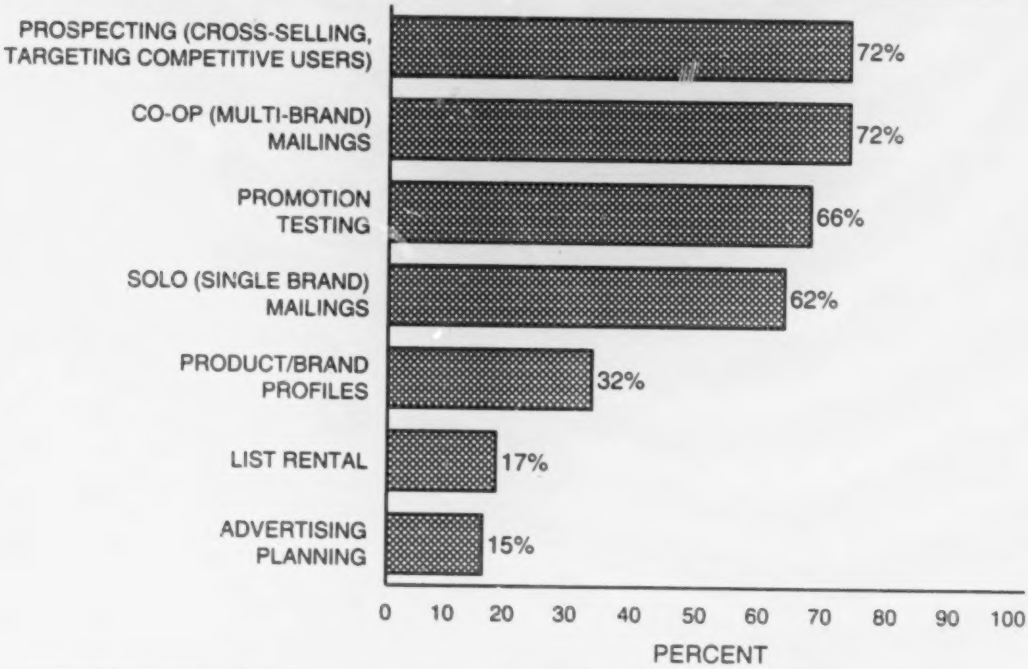
SATISFACTION WITH THE BENEFITS ACHIEVED FROM INFORMATION TECHNOLOGY



Source: DMA Information Technology Survey, Kole Associates, 1989.

CONSUMER DATABASES: PRESENT AND PLANNED USES, 1990 AND 1991

The most popular uses of databases include those which are direct to the consumer, i.e., prospecting (cross-selling, targeting, and reaching competitive users), and multi-brand mailings in a cooperative environment. On average, firms reported using or planning to use about four out of the seven consumer database applications.



Source: Donnelley Marketing Thirteenth Annual Survey of Promotional Practices, 1991.

• USPS INFORMATION

TRENDS

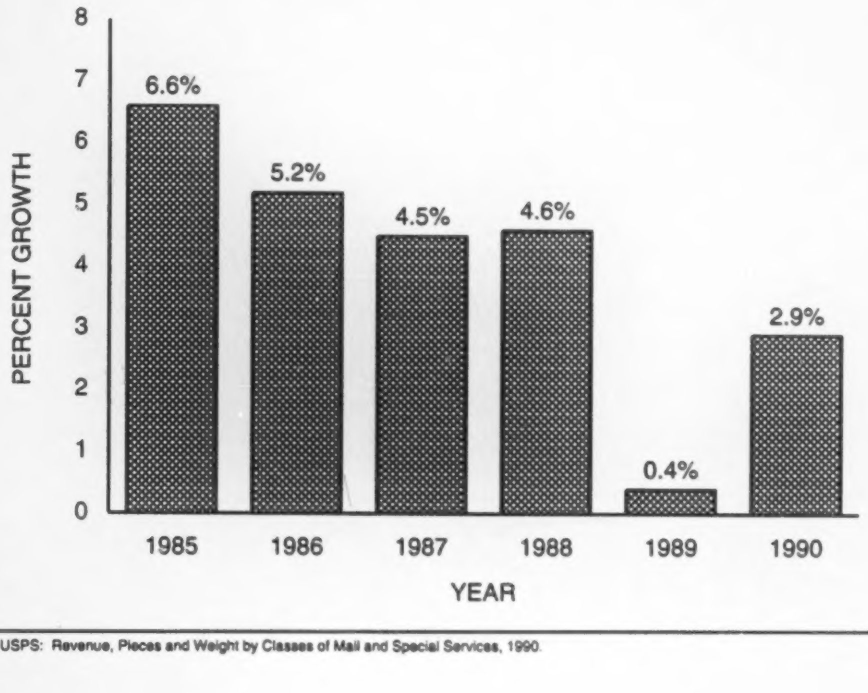
VOLUME OF MAIL: 1989—1990
(IN BILLIONS)

MAIL CLASSIFICATION	1989	1990	PERCENT CHANGE 1989–90
FIRST-CLASS	85.86	89.27	4.0
SECOND-CLASS	10.52	10.68	1.5
THIRD-CLASS	62.78	63.73	1.5
FOURTH-CLASS	0.63	0.66	5.9
INTERNATIONAL	0.72	0.80	10.3
U.S. POSTAL SERVICE	0.52	0.54	2.0
ALL OTHER	0.57	0.63	10.2
TOTAL MAIL	161.60	166.31*	2.9

*Rounding the various classes of mail causes the total volume figure to exceed the Fiscal Year annual mail volume of 166.30 billion pieces.

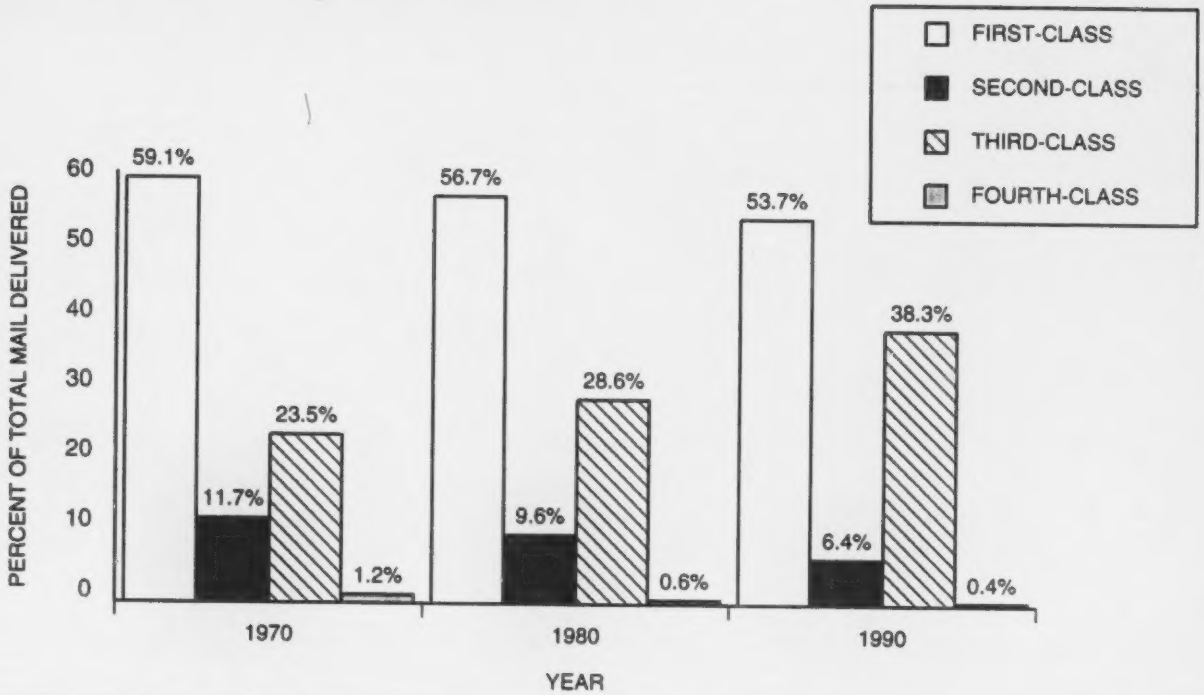
Source: Annual Report of the Postmaster General, USPS, 1990.

TOTAL DOMESTIC MAIL VOLUME GROWTH RATE: 1985—1990



Source: USPS: Revenue, Pieces and Weight by Classes of Mail and Special Services, 1990.

MAIL VOLUME BY CLASS: 1970, 1980, 1990
PERCENTAGE OF TOTAL MAIL DELIVERED



Source: USPS: Revenue, Pieces and Weight by Classes of Mail and Special Services, 1990.

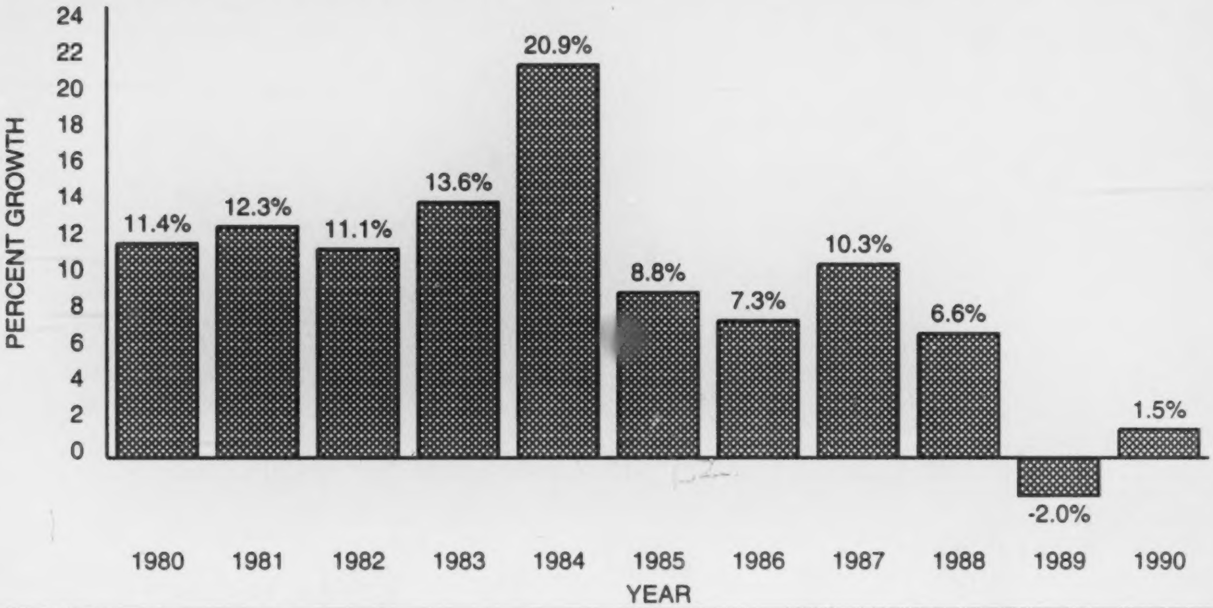
VOLUME OF THIRD CLASS MAIL 1989–1990
(POSTAL FISCAL YEARS: OCT. 1–SEPT. 30)

	1990	1989	% CHANGE 1989–90
SINGLE PIECE RATE	188,303	191,157	-1.5
BULK RATE			
BASIC	10,138,678	9,656,996	5.0
CARRIER ROUTE	27,585,672	28,707,528	-3.9
5-DIGIT	13,784,198	12,365,993	11.5
REGULAR RATE TOTAL	51,508,548	50,730,517	1.5
TOTAL NON-PROFIT	12,028,259	11,857,442	1.4
TOTAL THIRD CLASS	63,725,110	62,779,116	1.5

Source: USPS: Revenue, Pieces and Weight by Classes of Mail and Special Services for Fiscal Years 1989, 1990.

BULK-RATE REGULAR VOLUME GROWTH RATE: 1980–1990

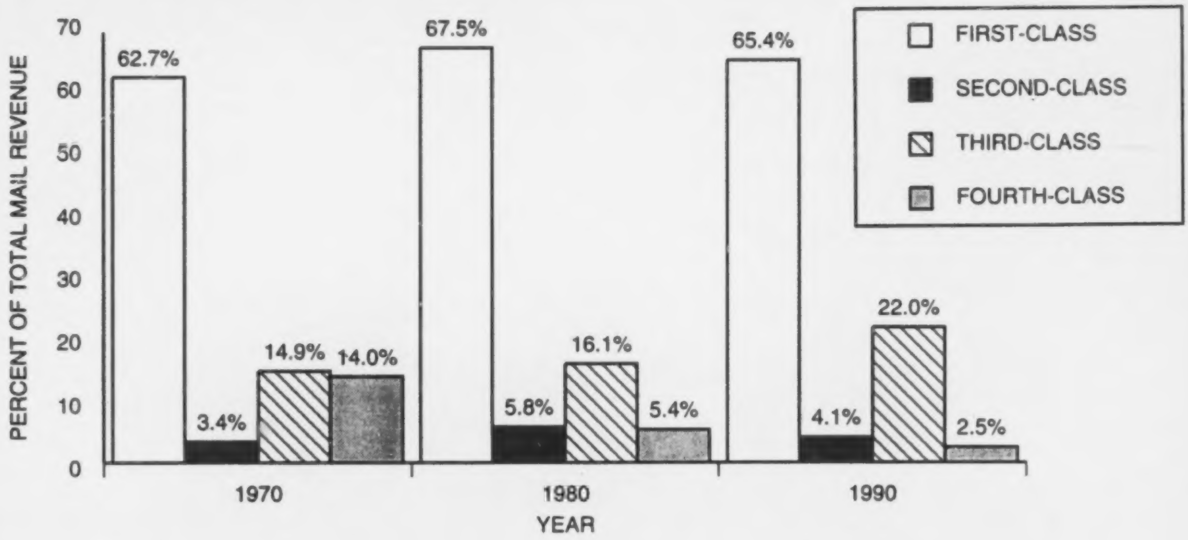
PERCENT CHANGE FOR EACH YEAR



Source: USPS: Revenue, Pieces and Weight by Classes of Mail and Special Services, 1990.

DOMESTIC MAIL REVENUE BY CLASS*: 1970, 1980, 1990

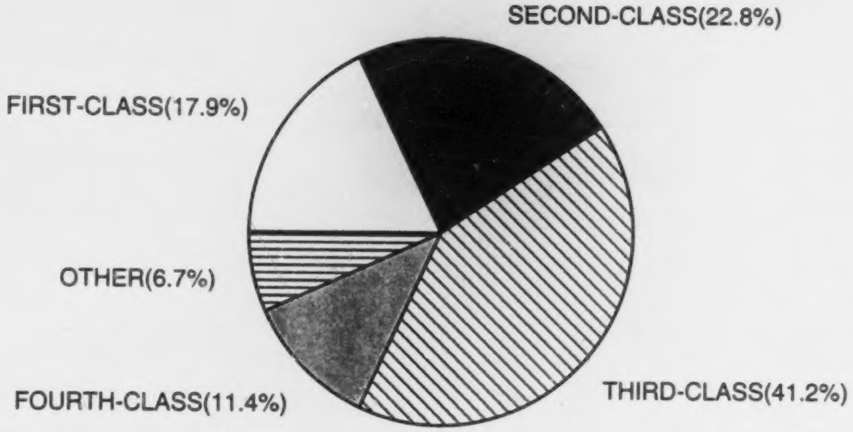
PERCENTAGE OF TOTAL MAIL REVENUE



*Percents do not add up to 100% because priority mail and express mail figures, which are included in total mail revenue figures, are not shown.

Source: USPS: Revenue, Pieces and Weight by Classes of Mail and Special Services, 1990.

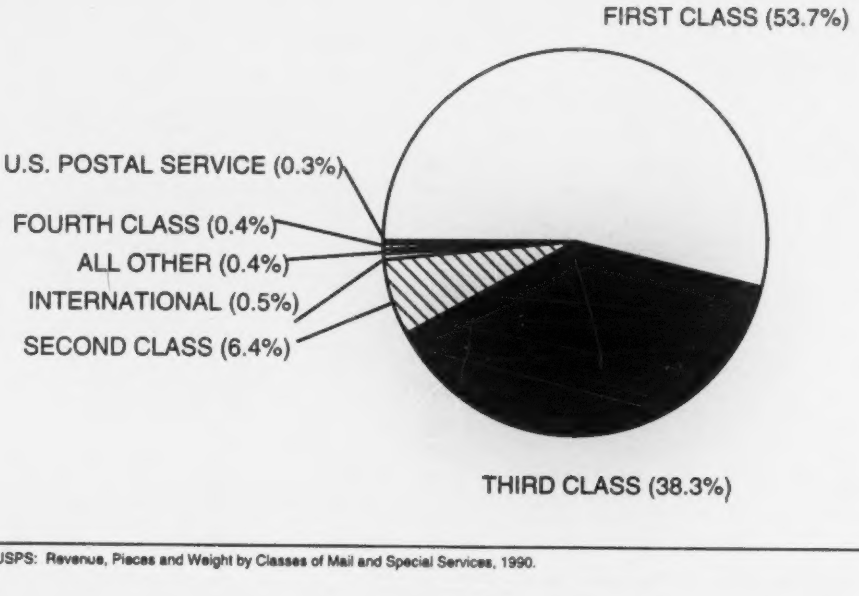
PERCENT WEIGHT OF MAIL BY CLASS



Source: USPS: Revenue, Pieces and Weight by Classes of Mail and Special Services, 1990.

COMPOSITION OF MAIL

FISCAL YEAR 1990
(Percentage of total volume by class)



Source: USPS: Revenue, Pieces and Weight by Classes of Mail and Special Services, 1990.

THIRD-CLASS PRESORT MAIL REVENUE BULK RATE (REGULAR)

(MILLIONS OF PIECES)

Fiscal Year	Total	"All Other"	Five Digit	Carrier Route
1979	1,754	1,545	—	209
1980	1,908	1,405	—	503
1981	2,104	1,155	228	721
1982	2,667	1,039	484	1,144
1983	3,039	1,053	568	1,418
1984	3,541	1,142	673	1,726
1985	4,136	1,341	756	2,039
1986	4,670	1,549	886	2,235
1987	5,112	1,671	1,017	2,425
1988	6,056	1,844	1,309	2,903
1989	6,769	1,764	1,771	3,234
1990	6,935	1,853	1,963	3,119

Source: USPS: Revenue, Pieces and Weight by Classes of Mail and Special Services, 1990.

THIRD-CLASS PRESORT MAIL REVENUE BULK RATE (NON-PROFIT)

(MILLIONS OF PIECES)

Fiscal Year	Total	"All Other"	Five Digit	Carrier Route
1979	213	213	—	—
1980	259	256	—	3
1981	301	272	13	16
1982	425	318	74	33
1983	443	310	90	43
1984	497	331	112	55
1985	561	366	128	67
1986	743	458	179	106
1987	836	496	209	131
1988	860	498	238	123
1989	899	463	294	142
1990	909	447	318	144

Source: USPS: Revenue, Pieces and Weight by Classes [illegible] Mail and Special Services, 1990.

THIRD-CLASS MAIL VOLUME
BULK RATE (REGULAR)
(MILLIONS OF PIECES)

Fiscal Year	Total	"All Other"	Five Digit	Carrier Route
1979	19,742	16,810	—	2,932
1980	21,997	14,797	—	7,018
1981	24,706	11,636	2,528	10,542
1982	27,452	8,791	4,919	13,742
1983	31,186	8,813	5,675	16,698
1984	37,699	9,559	6,748	21,392
1985	41,026	10,429	7,190	23,407
1986	44,006	11,629	8,203	24,174
1987	48,553	12,505	9,304	26,744
1988	50,552	11,921	10,361	28,270
1989	50,731	9,657	12,366	28,708
1990	51,509	10,139	13,784	27,586

Source: USPS: Revenue, Pieces and Weight by Classes of Mail and Special Services, 1990.

THIRD-CLASS MAIL VOLUME
BULK RATE (NON-PROFIT)
(MILLIONS OF PIECES)

Fiscal Year	Total	"All Other"	Five Digit	Carrier Route
1979	7,303	7,303	—	—
1980	7,964	7,875	—	89
1981	8,566	7,775	435	357
1982	9,064	6,169	1,768	1,127
1983	9,381	5,950	2,099	1,332
1984	10,372	6,215	2,529	1,628
1985	10,976	6,314	2,724	1,938
1986	10,888	5,936	2,811	2,141
1987	11,022	5,735	2,922	2,365
1988	11,249	5,791	3,213	2,246
1989	11,857	5,399	3,838	2,620
1990	12,028	5,211	4,150	2,667

Source: USPS: Revenue, Pieces and Weight by Classes of Mail and Special Services, 1990.

USPS/INDUSTRY THIRD CLASS MAIL DELIVERY STUDY RESULTS: 1988 & 1989

Early in 1988, the USPS and third-class industry leaders agreed to deliverability testing methodology that would satisfy their objective which was: To obtain a valid measure of delivery for a properly prepared and addressed mailing that would be independent of reporter error. Panels of more than 4,000 reporters were assembled for each test. The panels were divided into two groups: where approximately 20 percent of the reporters' findings were verified by the USPS Inspection Service and the remaining 80 percent were not inspector verified. Each panelist was sent a letter alerting them of the test in advance and then two letters reminding them to respond. Here are the reports of tests conducted in 1988 and 1989:

Date:	Type Piece	Non-Delivery Rate	Delivery Range
August 1988	Flat	2.6%	0.0%—5.9%
September 1989	Catalog	4.9%	0.9%—8.9%

Source: USPS Bulk Business Mail Service Performance Measurement Report, February 1990.

DMA/DOUBLEDAY BULK THIRD-CLASS DELIVERY TEST

COMPARISON WITH 1981 AND 1983 TESTS
The DMA/Doubleday tests were conducted using the verified home addresses of DMA members who volunteered to report mail delivery results. The 1987 test also included active members of the Third Class Mail Association. Here is a comparison of the results:

Similar delivery tests were run in 1981 and 1983.

	NONDELIVERY-PERCENTAGE		
TEST PIECE	1987 base = 1613	1983 base = 700	1981 base = 890
LITERARY GUILD FLAT ENDORSED, "FORWARDING AND RETURN POSTAGE GUARANTEED"	3.4%	3.1%	6.6%
LITERARY GUILD FLAT; NO FORWARDING OR RETURN ENDORSEMENT	5.0%	5.4%	8.4%
MERCHANDISE CATALOG			
FINGERHUT	14.1%	—	—
SPIEGEL	—	10.2%	—
DAV (NONPROFIT) LETTER-SIZE	8.1%	—	—
LUVS DIAPERS COUPON	—	18.9%	—

Source: DMA & Doubleday, 1987.

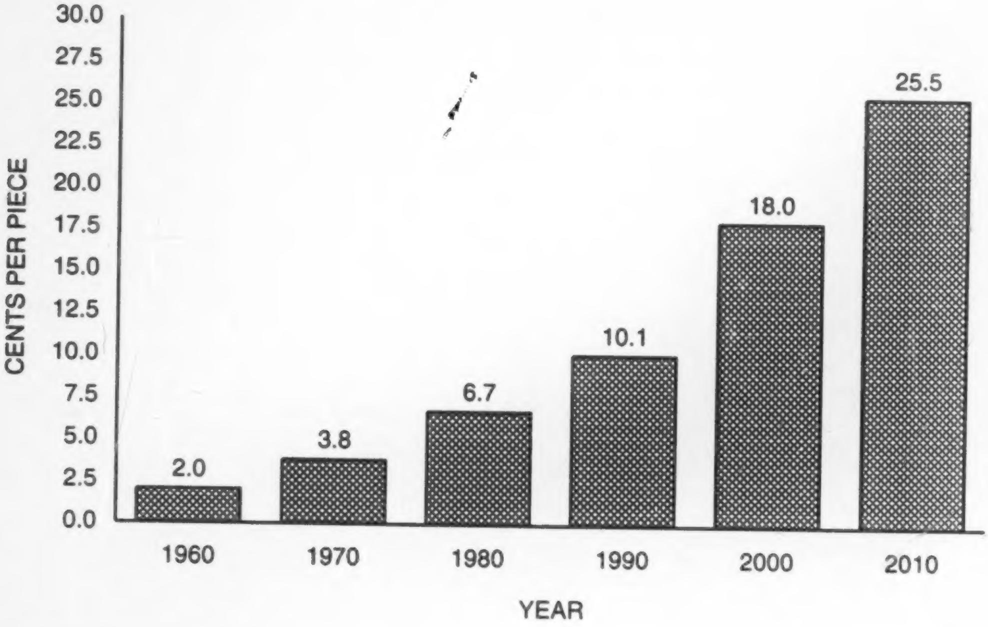
THIRD CLASS BULK POSTAGE RATES 1960–1992 AND PROJECTED 2000-2010

DECADE	BEGINNING RATE (Cents)	ENDING RATE (Cents)	% INCREASE
1960–69	2	3.8	90%
1970–79	3.8	6.7	76%
1980–89	6.7	10.1	84%
1990–99	10.1	18.0	78%
2000–10	17.4	25.2	40%

NOTES:
1. Carrier Route Presort Discount Included After 1980
2. Projected Technique—Box Jenkins Time Series Analysis

Source: Dresden Direct Inc., 1990.

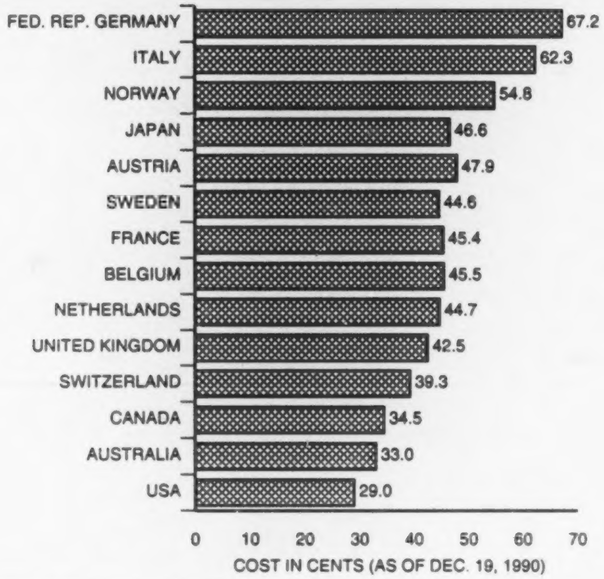
POSTAGE RATES THIRD-CLASS BULK CARRIER ROUTE PRESORT 1960–2010 (PROJECTED)



Source: DMA/Dresden Direct Inc., 1990.

FIRST-CLASS MAIL COSTS IN INDUSTRIALIZED COUNTRIES

(IN U.S. CURRENCY, AS OF DECEMBER 1990)



Source: USPS Annual Report of the Postmaster General, 1990.

BRIEF HISTORY OF SELECTED POSTAL RATES 1960–1989

3RD CLASS BULK (BEFORE PRESORT PROGRAM INITIATED)				
YEAR	EFFECTIVE DATE*	REGULAR BULK MIN. PER PIECE	EFFECTIVE DATE	NON PROFIT MIN. PER PIECE
	1/1/59	2¢	1/1/59	1¢
1960	7/1/60	2.5¢	7/1/60	1.25¢
1961		2.5¢		1.25¢
1962		2.5¢		1.25¢
1963	1/7/63	2.625¢		1.25¢
1964	1/1/64	2.75¢		1.25¢
1965	1/1/65	2.875¢		1.25¢
1966		2.875¢		1.25¢
1967		2.875¢		1.25¢
1968	1/7/68	3.6¢	1/7/68	1.4¢
1969	7/1/69	3.8/4.0¢*	7/1/69	1.6¢
1970		3.8/4.0¢*		1.6¢
1971	5/16/71	4.04/4.2¢*	5/16/71	1.7¢
1972	3/12/72	5.0¢		
	7/6/72	4.85/5.0¢*		1.7¢
1973		4.8/5.0¢*		1.7¢
1974	3/2/74	6.1/6.3¢*	7/6/74	1.8¢
1975	12/31/75	7.7/7.9¢*		1.8¢
1976	7/6/76	7.7/7.9¢*	7/6/76	1.9¢
	7/18/76	7.5/7.7¢*	7/18/76	2.0¢
1977		7.5/7.7¢*	7/6/77	2.1¢
1978	5/29/78	8.4¢	5/29/78	2.4¢
			7/6/78	2.7¢
1979			7/6/79	3.1¢

* = 1st 250M pieces per year at initial figure

Source: Direct Marketing Association, 1989.

3RD CLASS MIN. PER PIECE

(BY PRESORT CATEGORY BEGINNING 1979)

YEAR	BULK RATE REGULAR EFFECTIVE DATE	CARRIER ROUTE	FIVE DIGIT	ALL OTHER
1979		6.7¢	n/a	8.4¢
1981	3/22/81	6.4¢	8.8¢	10.4¢
1981	11/1/81	7.9¢	9.3¢	10.9¢
1983	5/22/83	7.4¢	9.3¢	11.0¢
1985	2/17/85	8.3¢	10.1¢	12.5¢
1988	4/3/87	10.1¢	13.2¢	16.7¢
1991	2/3/91	(See new rate structure on the following page)		
	NON-PROFIT			
1980	7/6/80	3.2¢	n/a	3.5¢
1981	7/6/81	1.9¢	2.9¢	3.8¢
1982	1/10/82	4.0¢	5.0¢	5.9¢
1982	7/24/82	3.0¢	4.0¢	4.9¢
1983	1/9/83	3.3¢	4.3¢	5.2¢
1985	2/17/85	3.4¢	4.9¢	6.0¢
1986	1/1/86	4.8¢	6.3¢	7.4¢
1986	3/9/86	5.7¢	7.2¢	8.7¢
1986	4/20/86	5.5¢	7.1¢	8.5¢
1988	4/3/88	5.3¢	7.6¢	8.4¢
1991	2/3/91	(See new rate structure on the following page)		

4TH CLASS PARCEL POST LOCAL (ZONES 1,2,3)

YEAR	EFFECTIVE DATE	PER PC.	PER LB. (1-5)
1960	2/1/60	20¢	+2¢
1963	4/1/64	25¢	+2¢
1965	1/15/67	25¢	+2¢
1966		25¢	+2¢+10¢ to nearest 5 or 10¢
1968	10/19/68	45¢	+2¢– to nearest 5¢

YEAR	EFFECTIVE DATE	PER LB. (UP TO 2 LBS.)
1970	11/14/70	60¢
1974	3/2/74	61¢
1975	9/14/75	67¢
	12/31/75	77¢
1978	5/29/78	$1.15
1981	3/22/81	$1.38
1985	2/17/85	$1.41
1988	4/3/88	$1.43
1991	2/3/91	$1.74

YEAR	1ST CLASS 1ST OZ. EFFECTIVE DATE	PER PIECE
1960	8/1/58	4¢
1963	1/7/63	5¢
1968	1/7/68	6¢
1971	5/16/71	8¢
1974	3/2/74	10¢
1975	12/31/75	13¢
1978	5/29/78	15¢
1981	3/22/81	18¢
1981	11/1/81	20¢
1985	2/17/85	22¢
1988	4/3/88	25¢
1991	2/3/91	29¢

YEAR	3RD CL. SINGLE PIECE 1ST 2 OZS. EFFECTIVE DATE	PER PIECE
1960	8/1/58	3¢
1963	1/7/63	4¢
1968	1/7/68	6¢
1971	5/16/71	8¢
1974	3/2/74	10¢
1975	12/31/75	13¢
1976	7/18/76	14¢
1978	5/29/78	20¢
1981	3/22/81	18¢
1981	11/1/81	20¢
1985	2/17/85	22¢
1988	4/3/88	25¢
1991	2/3/91	29¢

Source Compiled by Direct Marketing Association, Inc. 1991.

NUMBER OF THIRD-CLASS MAIL ATTRIBUTED TO DIRECT MAIL 1977–1981

(POSTAL FISCAL YEAR = OCT. 1—SEPT. 30)
(IN THOUSANDS)

	Third Class Single D. Mail = 95%	Third Class Bulk D. Mail = 95%	Third Class Non-Profit D. Mail = 95%	Catalog D. Mail = 100%	Total USPS 3rd Class Pieces	Total 3rd Class D. Mail Pieces
Total 1977	612,518	17,138,794	6,825,799	84,998	24,662,109	23,433,253
Total DM	581,892	16,281,854	6,484,509	84,998		

	Third Class Single D. Mail = 95%	Third Class Bulk D. Mail = 95%	Third Class Non-Profit D. Mail = 95%	Catalog D. Mail = 100%	Total USPS 3rd Class Pieces	Total 3rd Class D. Mail Pieces
Total 1978	539,724	18,684,430	7,020,146	85,431	26,329,731	25,017,517
Total DM	512,738	17,750,209	6,669,139	85,431		

	Third Class Single D. Mail = 95%	Third Class Bulk-Regular D. Mail = 95%	Third Class Bulk-Carrier Presort D. Mail = 95%	Third Class Non-Profit D. Mail = 95%	Catalog* D. Mail = 100%	Total USPS 3rd Class Pieces	Total 3rd Class D. Mail Pieces
Total 1979	444,871	15,509,303	4,492,980	7,552,602	104,087	28,103,843	26,703,855
Total DM	422,627	14,733,838	4,268,331	7,174,972	104,087		
Total 1980	410,959	14,583,864	6,999,788	8,068,948	116,434	30,179,993	28,676,815
Total DM	390,411	13,854,671	6,649,799	7,665,500	116,434		

	Third Class Single D. Mail = 95%	Third Class Bulk-Regular D. Mail = 95%	Third Class Bulk-Carrier Presort D. Mail = 95%	Third Class 5-Digit Presort D. Mail = 95%	Third-Class Non-Profit D. Mail = 95%	Total USPS 3rd Class Pieces	Total 3rd Class D. Mail Pieces
Total 1981	335,168	11,636,430	10,541,579	2,527,621	8,566,607	33,607,405	31,927,034
Total DM	318,410	11,054,608	10,014,500	2,401,239	8,138,277		

*In 1981, the USPS discontinued reporting the catalog figure as a separate category. Since then this figure has been included partially in third and fourth class bound-printed matter figures.

Source: DMA/USPS Revenue, Pieces and Weight by Classes of Mail and Special Services for fiscal years 1977–1981.

NUMBER OF NON-THIRD-CLASS MAIL PIECES ATTRIBUTED TO DIRECT MAIL 1977–1981

(POSTAL FISCAL YEAR = OCT. 1—SEPT. 30)
(IN THOUSANDS)

	First Class D. Mail = 20%	Priority Mail D. Mail = 5%	Mailgrams D. Mail = 15%	Int'l Mail D. Mail = 5%	Total # USPS Non-3rd Class Pieces	Total # Non-3rd Class D. Mail Pieces
Total 1977	58,827,034	199,487	28,562	684,899	59,739,982	10,813,910
Total DM	10,765,407	9,974	4,284	34,245		

	First Class D. Mail = 10%	Priority Mail D. Mail = 5%	Mailgrams D. Mail = 95%	Int'l Mail D. Mail = 5%	Total # USPS Non-3rd Class Pieces	Total # Non-3rd Class D. Mail Pieces
Total 1978	54,557,218	213,329	32,504	718,935	55,521,986	5,507,211
Total DM	5,455,722	10,666	4,876	35,947		

	First Class D. Mail = 10%	Priority Mail D. Mail = 5%	Mailgrams D. Mail = 15%	Int'l Mail D. Mail = 5%	Total # USPS Non-3rd Class Pieces	Total # Non-3rd Class D. Mail Pieces
Total 1979	58,215,317	231,835	37,989	755,674	59,240,815	5,886,606
Total DM	5,831,532	11,592	5,698	37,784		
Total 1980	58,993,087	252,864	39,452	733,832	60,019,235	5,954,562
Total DM	5,899,309	12,643	5,918	36,692		

	First Class D. Mail = 10%	Fourth Class Bound Printed Matter D. Mail = 85%	Int'l Mail D. Mail = 5%	Total # USPS Non-3rd Class Pieces	Total # Non-3rd Class D. Mail Pieces
Total 1981	61,410,172	118,675	885,509	62,414,356	6,280,232
Total DM	6,141,017	94,940	44,275		

NOTE: Priority Mail and Mailgram figures are not reported after 1980 because the volume of DM pieces is not a substantial portion.

Source: DMA/USPS Revenue, Pieces and Weight by Classes of Mail and Special Services for fiscal years 1977–1981.

NUMBER OF THIRD-CLASS PIECES ATTRIBUTED TO DIRECT MAIL 1982—1990

(POSTAL FISCAL YEAR = OCT. 1—SEPT. 30)
(IN THOUSANDS)

	Third Class Single D. Mail = 95%	Third Class Bulk-Regular D. Mail = 95%	Third Class Bulk-Carrier Presort D. Mail = 95%	Third Class 5-Digit Presort D. Mail = 95%	Third-Class Non-Profit D. Mail = 95%	Total USPS 3rd Class Pieces	Total 3rd Class D. Mail Pieces
Total 1982	203,350	8,791,167	13,742,551	4,916,628	9,063,627	36,719,323	34,888,358
Total DM	196,183	8,351,609	13,055,423	4,672,697	8,610,446		
Total 1983	167,990	8,812,930	16,698,070	5,674,653	9,381,076	40,734,719	38,697,984
Total DM	159,591	8,372,284	15,863,167	5,390,[illegible]	8,912,022		
Total 1984	173,316	9,559,199	21,391,900	6,747,[illegible]	10,371,568	48,248.714	45,836,278
Total DM	169,400	9,081,239	20,322,305	6,410,3[illegible]	9,852,990		
Total 1985	168,355	10,428,865	23,407,236	7,189,668	10,976,133	52,170,257	49,561,744
Total DM	159,937	9,907,422	22,236,874	6,830,185	10,427,326		
Total 1986	155,158	11,629,416	24,173,638	8,203,177	10,887,557	55,048,946	52,296,498
Total DM	.47,400	11,047,945	22,964,956	7,793,018	10,343,179		
Total 1987	158,462	12,505,514	26,743,646	9,304,063	11,021,513	59,733,198	56,746,548
Total DM	150,539	11,880,258	25,406,454	8,838,860	10,470,437		
Total 1988	210,890	12,049,160	29,209,430	10,530,842	11,249,499	63,249,821	58,662,381
Total DM	200,346	11,446,702	27,748,959	10,004,300	9,562,074		
Total 1989	191,157	9,656,996	28,707,528	12,365,993	11,857,442	62,779,116	58,454,416
Total DM	181,599	9,174,146	27,272,152	11,747,693	10,078,826		
Total 1990	188,303	10,138,678	27,585,672	13,784,198	12,028,259	63,725,110	59,336,027
Total DM	178,887	9,631,744	26,206,388	13,094,988	10,224,020		

Source: DMA/USPS Revenue, Pieces and Weight by Classes of Mail and Special Services for fiscal years 1977–1981.

NUMBER OF NON-THIRD-CLASS PIECES ATTRIBUTED TO DIRECT MAIL 1982—1990

(POSTAL FISCAL YEAR = OCT. 1—SEPT. 30)
(IN THOUSANDS)

	First Class D. Mail = 7.5%	Fourth Class Bound Printed Matter D. Mail = 85%	Int'l Mail D. Mail = 2%	Total # USPS Non-3rd Class Pieces	Total # Non-3rd Class D. Mail Pieces
Total 1982	62,200,212	156,154	927,541	63,283,907	4,808,490
Total DM	4,665,016	124,923	18,551		
Total 1983	64,246,880	168,128	904,821	65,319,829	4,979,520
Total DM	4,818,516	142,908	18,096		
Total 1984	68,428,570	194,760	894,840	69,518,170	5,315,586
Total DM	5,132,143	165,546	17,897		
Total 1985	72,440,277	212,829	829,404	73,482,510	6,005,514
Total DM	5,808,021	180,905	16,588		
Total 1986	76,186,648	249,221	797,727	77,233,596	5,941,792
Total DM	5,713,999	211,838	15,955		
Total 1987	78,869,309	255,537	777,816	79,902,662	6,147,960
Total DM	5,915,198	217,206	15,556		
Total 1988	84,749,464	308,861	726,226	85,784,551	6,633,267
Total DM	6,356,210	262,532	14,525		
Total 1989	85,855,457	312,264	723,855	86,891,576	6,719,060
Total DM	6,439,159	265,424	14,477		
Total 1990	89,269,649	344,844	798,265	90,412,758	7,004,305
Total DM	6,695,223	293,117	15,965		

Source: DMA/USPS Revenue, Pieces and Weight by Classes of Mail and Special Services for fiscal years 1977–1981.

USPS EMPLOYEES/FACILITIES

EMPLOYEES*	1990	1989	1988	1987	1986
Headquarters—L'Enfant Plaza	2,291	2,278	2,323	2,112	2,021
Headquarters—Field Support Units	5,691	5,882	5,703	5,820	5,617
Inspection Service (Field)	4,259	4,276	4,176	4,300	4,287
Field Career Employees					
Regional Offices	542	431	437	432	603
Postmasters	26,995	27,242	27,846	27,809	27,451
Supervisors	43,458	44,793	44,401	43,297	40,935
Prof. Admin., Tech. Personnel	9,793	10,528	10,587	10,620	8,766
Clerks	290,380	300,908	304,120	303,470	296,514
Nurses	286	318	332	329	337
Mailhandlers	51,123	52,295	51,855	50,718	49,714
City Delivery Carriers	236,081	240,159	240,276	233,516	227,676
Motor Vehicle Operators	7,308	7,357	7,326	7,221	7,057
Rural Delivery Carriers & Substitutes on Vacant Routes	42,252	40,802	39,489	36,955	36,327
Special Delivery Messengers	2,012	2,142	2,191	2,256	2,337
Bldg. & Equip. Maintenance Personnel	33,323	33,348	33,119	31,713	30,696
Vehicle Maintenance Personnel	4,874	4,956	4,902	4,770	4,591
Total Career Employees	760,668	777,715	779,083	765,338	744,929
Non-Career Employees					
Casuals	26,829	21,209	32,424	14,483	27,382
Non-Bargaining Temporary	414	371	286	308	345
Rural Subs/RCA/RCR/AUX	43,373	42,355	41,122	38,987	39,866
PM Relief/Leave Replacements	11,979	11,902	11,987	11,675	11,346

OFFICES, STATIONS AND BRANCHES	1990	1989	1988	1987	1986
Number of Post Offices	28,959	29,083	29,203	29,319	29,344
Number of Stations and Branches:					
Classified Stations and Branches	5,008	4,958	4,957	4,910	4,240
Contract Stations and Branches	4,397	4,297	4,294	4,087	3,965
Community Post Offices	1,703	1,693	1,663	1,714	1,721
Total	11,108	10,948	10,914	10,711	9,926
Grand Total	40,067	40,031	40,117	40,030	39,270

*Complement data have been revised to conform with current method of counting career on-rolls employees using On-Rolls and Paid Employees statistics database.

Source: Annual Report of the Postmaster General, USPS, 1990.

TOTAL NUMBER OF MAIL PIECES (ALL CLASSES) ATTRIBUTED TO DIRECT MAIL 1977—1990

(POSTAL FISCAL YEAR = OCT. 1—SEPT. 30)
(IN THOUSANDS)

	Total # USPS Pieces	Total USPS # D.Mail Volume Pieces	Percentage of Total Mail Volume Attributed to Direct Mail
Total 1977	84,402,091	34,247,163	40.6%
Total 1978	81,851,717	30,524,728	37.3%
Total 1979	87,344,658	32,590,461	37.3%
Total 1980	90,199,228	34,631,377	38.4%
Total 1981	90,021,761	38,207,266	39.8%
Total 1982	100,003,230	39,696,848	39.7%
Total 1983	106,054,548	43,677,504	41.2%
Total 1984	117,766,884	51,151,864	43.4%
Total 1985	125,652,767	55,567,258	44.2%
Total 1986	132,282,542	58,238,290	44.0%
Total 1987	139,635,860	62,694,702	45.0%
Total 1988	149,034,372	65,595,648	44.0%
Total 1989	149,670,692	58,454,416	39.1%
Total 1990	154,137,868	66,340,332	43.0%

Source: DMA/USPS Revenue, Pieces and Weight by Classes of Mail and Special Services for Fiscal Years 1977-1990.

CURRENT POSTAL RATES

First Class

	Previous Rate (cents)	Current Rate (cents)
Letters, Flats, Small Parcels		
First ounce		
Unpresorted	25.0	29.0
3/5-Digit Presort	21.0	24.8
Carrier Route Presort	19.5	23.0
Saturation	N/A	22.3
Additional Ounces	20.0	23.0
Cards		
Basic Rate	15.0	19.0
3/5-Digit Presort	13.0	17.0
Carrier Route Presort	11.5	15.2
Saturation	N/A	14.5
ZIP+4 Letters		
First ounce		
Unpresorted	24.1	27.6
Unpresorted/Prebarcoded	N/A	27.0
3/5-Digit Presort	20.5	24.2
3-Digit Presort/Prebarcoded	N/A	23.9
5-Digit Presort/Prebarcoded	20.0	23.3
ZIP+4 Cards		
Unpresorted	14.1	18.0
Unpresorted/Prebarcoded	N/A	17.7
3/5-Digit Presort	12.5	16.4
3-Digit Presort/Prebarcoded	N/A	16.1
5-Digit Presort/Prebarcoded	12.0	15.5
Business Reply Fees		
Advance Deposit		
Basic Rate	8.0	9.0
Prebarcoded	5.0	2.0
Other Business Reply	40.0	40.0
Priority Mail	$2.40-$72.24	$2.90-$75.35
Express Mail	$7.75-$89.05	$8.35-$91.60

Second Class

		Previous Rate (cents)	Current Rate (cents)
In-County			
Per Pound		9.4	10.6-11.6
Per Piece		3.2-5.7	4.0-7.7
Outside			
Non-Profit	Per Pound	8.6-22.1	10.6-35.0
	Per Piece	3.8-12.5	5.3-16.9
Classroom	Per Pound	6.7-15.4	10.6-35.0
	Per Piece	7.3-12.3	5.3-16.9
Regular Rate	Per Pound	12.4-30.2	14.7-36.7
	Per Piece	4.9-16.0	6.9-20.1

Third Class

	Previous Rate (cents)	Current Rate (cents)	
Single Piece	$0.25-$1.50	$0.29-$1.79	
Regular Bulk		Letters	Flats
Minimum Piece Rate			
Required Presort			
Basic	16.7	19.8	23.3
ZIP+4	16.2	18.9	N/A
Prebarcoded	N/A	17.9	N/A
3/5-Digit Presort			
5-Digit Presort	13.2	N/A	N/A
3/5-Digit Presort	N/A	16.5	18.7
5-Digit ZIP+4	12.7	N/A	N/A
3/5-Digit ZIP+4	N/A	16.1	N/A
5-Digit ZIP+4/Prebarcoded	12.2	N/A	N/A
3-Digit Prebarcoded	N/A	15.4	N/A
5-Digit Prebarcoded	N/A	14.6	N/A
Carrier Route Presort			
Carrier Route	10.1	13.1	14.2
Saturation	N/A	12.4	12.7
Pound Rate	48.0	N/A	60.0
Plus Per Piece:			
Required Presort	6.6	N/A	10.9
5-Digit Presort	3.1	N/A	N/A
3/5-Digit Presort	N/A	N/A	6.3
Carrier Route	0.0	N/A	1.8
Saturation	N/A	N/A	0.3
Non-Profit Bulk			
Minimum Piece Rate			
Required Presort			
Basic	8.4	11.1	12.5
ZIP+4	7.9	10.4	N/A
Prebarcoded	N/A	9.4	N/A
3/5-Digit Presort			
5-Digit Presort	7.6	N/A	N/A
3/5-Digit Presort	N/A	9.8	11.1
5-Digit ZIP+4	7.1	N/A	N/A
3/5-Digit ZIP+4	N/A	9.4	N/A
5-Digit ZIP+4/Prebarcoded	6.6	N/A	N/A
3-Digit Prebarcoded	N/A	8.8	N/A
5-Digit Prebarcoded	N/A	8.1	N/A
Carrier Route Presort			
Carrier Route	5.3	7.4	8.0
Saturation	N/A	7.1	7.3
Pound Rate	25.0	N/A	34.1
Plus Per Piece:			
Required Presort	3.1	N/A	5.4
5-Digit Presort	2.3	N/A	N/A
3/5-Digit Presort	N/A	N/A	4.0
Carrier Route	0.0	N/A	0.9
Saturation	N/A	N/A	0.2

Source: Direct Marketing Association, 1991.

Third Class Drop Ship Discounts (Regular and Non-Profit):

Piece Rate Mail (Per Piece)
BMC: 1.2 cents; SCF: 1.7 cents; Delivery Office: 2.2 cents
Pound Rate Mail (Per Pound)
BMC: 5.8 cents; SCF: 8.1 cents; Delivery Office: 10.4 cents

PRC Recommended Break Point: 3.3067 ounces.
Non-Profit: 3.3314 ounces.

Definition of a Letter:
"Letter" size pieces are between 5 and 11-1/2 inches in length, 3-1/2 and 6-1/8 inches in height, and 0.007 and 1/4 inches in thickness. Also, when their length is divided by their height, the resulting ratio must range from 1.3 to 2.5. Third-class pieces not meeting any of these requirements are designated as non-letters, or flats.

Fourth Class

	Previous Rate (cents)	Current Rate (cents)
Parcel Post	$1.43-$26.61	$1.74-$32.25
Bound Printed Matter		
Single Piece	$0.67-$5.80	$0.93-$4.95
Bulk	$0.30-$5.27	$0.41-$4.20
Special Rate		
First Pound		
Unpresorted	90.0	$1.05
Level A Presort	65.0	59.0
Level B Presort	83.0	88.0
Additional Pounds		
To 7 Pounds	35.0	43.0
Over 7 Pounds	20.0	25.0
Library Rate		
First Pound	64.0	65.0
Additional Pounds		
To 7 Pounds	23.0	24.0
Over 7 Pounds	12.0	12.0
Address Corrections		
Per manual correction	30.0	35.0
Per automated correction	30.0	20.0

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